



SUSTAINABLE FOREST HOLDINGS LIMITED

永保林業控股有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號: 723

annual report

年報 **09/10**

* for identification purpose only 僅供識別

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BOARD OF DIRECTORS

Executive Directors

- Mr LEUNG Chau Ping, Paul (Chief Executive Officer)
(appointed on 21 August 2009)
- Mr CHIU Raymond Yim (Chief Information Officer)
(appointed on 23 November 2009)
- Mr Leandro Dos Martires GUERRA
(Chief Operating Officer)
(appointed on 20 January 2010)
- Mr TEOH Tean Chai, Anthony (Acting Chief Executive Officer)
(resigned on 21 August 2009)
- Ms CHUNG Oi Ling, Stella
(resigned on 5 November 2009)

Independent Non-executive Directors

- Mr LEUNG Siu Hung, Joel
(appointed on 21 August 2009)
- Mr CHU Kin Wang, Peleus
Mr John Tewksbury BANIGAN
(appointed on 23 November 2009)
- Mr LO Chi Ho, William
(resigned on 21 August 2009)
- Ms LAU Wa Chun
(resigned on 4 December 2009)

COMPANY SECRETARY

Mr CHAN Hon To

AUTHORIZED REPRESENTATIVES

Mr LEUNG Chau Ping, Paul
Mr CHAN Hon To

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Causeway Bay
Hong Kong
Tel. No. : (852) 2857 7723
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E-mail: enquiry@susfor.com

董事會

執行董事

- 梁秋平先生(行政總裁)
(於二零零九年八月二十一日獲委任)
- 趙炎仁先生(資訊科技總裁)
(於二零零九年十一月二十三日獲委任)
- Leandro Dos Martires GUERRA先生
(首席營運總監)
(於二零一零年一月二十日獲委任)
- 張展才先生(代行政總裁)
(於二零零九年八月二十一日辭任)
- 鍾愛玲女士
(於二零零九年十一月五日辭任)

獨立非執行董事

- 梁紹雄先生
(於二零零九年八月二十一日獲委任)
- 朱健宏先生
John Tewksbury BANIGAN先生
(於二零零九年十一月二十三日獲委任)
- 駱志浩先生
(於二零零九年八月二十一日辭任)
- 劉華珍女士
(於二零零九年十二月四日辭任)

公司秘書

陳瀚濤先生

法定代表

梁秋平先生
陳瀚濤先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及於香港之主要營業地點

香港
銅鑼灣
告士打道262號
鵬利中心3001-02室
電話 : (852) 2857 7723
圖文傳真 : (852) 2857 1723
電子郵件 : enquiry@susfor.com

SHARE REGISTRARS

Principal Registrar

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

Hong Kong Branch Registrar

Tricor Tengis Limited
26/F., Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong Law

K & L Gates
44/F., Edinburgh Tower, The Landmark
15 Queen's Road Central
Hong Kong

As to Bermuda Law

Conyers Dill & Pearman
Room 2901, One Exchange Square
8 Connaught Place, Central
Hong Kong

AUDITOR

Crowe Horwath (HK) CPA Limited

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
Shanghai Commercial Bank Ltd.

WEBSITE ADDRESS

<http://www.susfor.com>
<http://www.irasia.com/listco/hk/sustainableforest>

HONG KONG STOCK EXCHANGE CODE

723

股份過戶登記處

主要股份過戶登記處

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

本公司之法律顧問

香港法律

高蓋茨律師事務所
香港
中環皇后大道中15號
置地廣場公爵大廈44樓

百慕達法律

Conyers Dill & Pearman
香港
中環康樂廣場8號
交易廣場一期2901室

核數師

國富浩華(香港)會計師事務所有限公司

主要往來銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司
上海商業銀行有限公司

網址

<http://www.susfor.com>
<http://www.irasia.com/listco/hk/sustainableforest>

香港聯交所代號

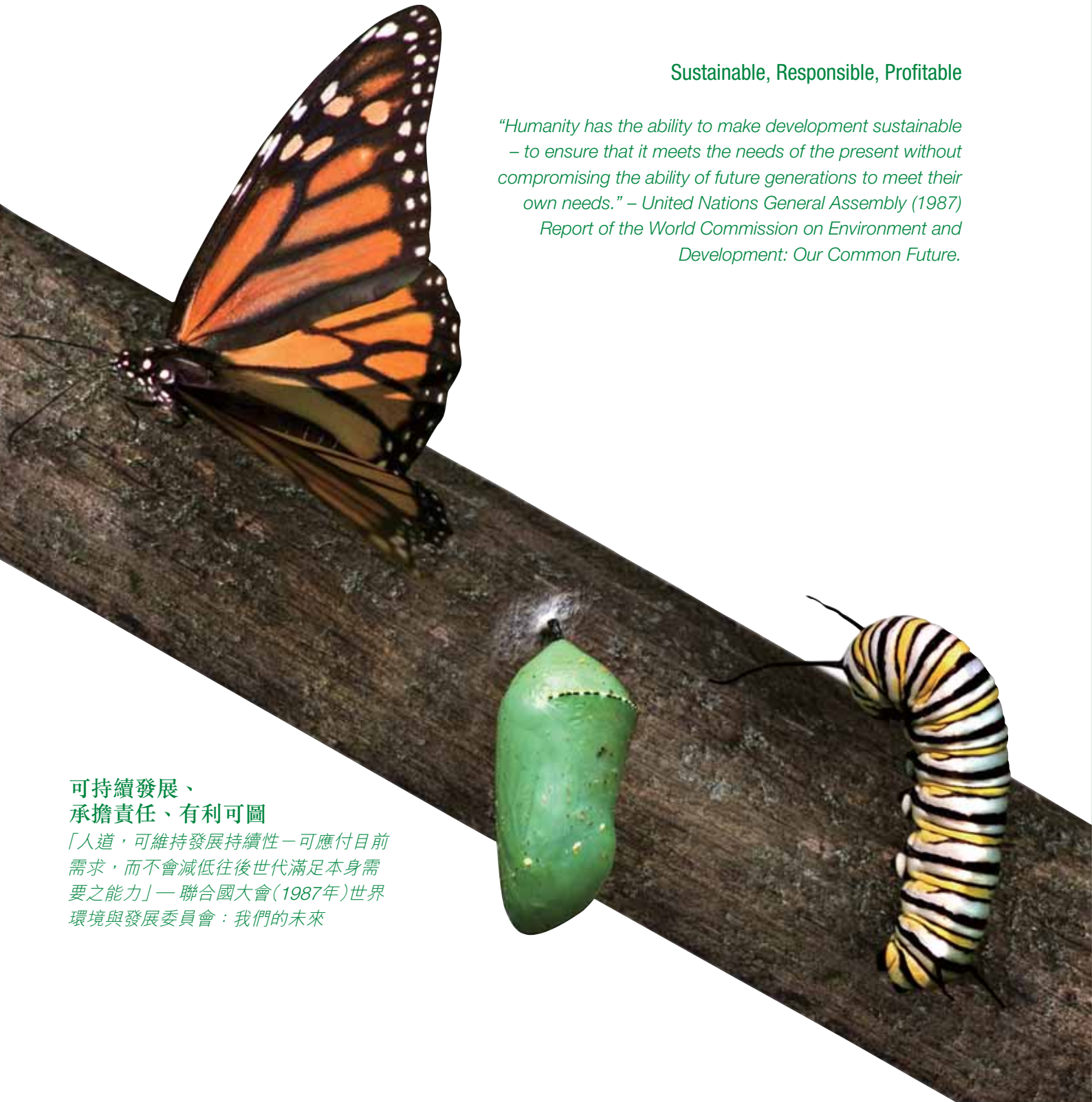
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Sustainable, Responsible, Profitable

*"Humanity has the ability to make development sustainable – to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs." – United Nations General Assembly (1987)
Report of the World Commission on Environment and Development: Our Common Future.*

可持續發展、 承擔責任、有利可圖

「人道，可維持發展持續性—可應付目前需求，而不會減低往後世代滿足本身需要之能力」— 聯合國大會(1987年)世界環境與發展委員會：我們的未來



Chief Executive Officer's Statement

行政總裁報告

永保林業控股有限公司 二零零九／二零一零年年報

Dear Shareholders, Stakeholders and Employees

Fiscal year ended 31 March 2010 has been a year marked with great transformation and sustainable progress for Sustainable Forest Holdings Limited. I would like to take the opportunity to thank all of our employees and their families for their contributions which helped to successfully transform our group into a world class natural forest resources holding company. At the same time, I say this past fiscal year was a year of transformation also because we started 2009 as one of the most challenging times ever experienced by the timber sector due to the global financial crisis, and then it turned onto a steady recovery path beginning mid way through the year.

Building a business that is sustainable and responsible while profitable forms the core of our business model and strategy. From the start, we have set out very aggressive operational and financial targets for ourselves when we acquired the forestry operations in July 2009 despite the unprecedented global financial crisis. Through the commitment and perseverance to our people, chain saw operators, sawmill workers, forest engineers, log loader operators, quality control inspectors, sales, accountants...etc., we achieved the goal of reaching financial profitability immediately in the first year of operations for our forestry business.

I am pleased to present you the following operational and financial review for the year ended 31 March 2010, sharing with you our progress and milestones achieved, and some of the setbacks and difficulties we encountered.

In times of great changes lie great opportunities. We continue to be committed to our people, our shareholders, our stakeholders and our core corporate values of sustainability, social responsibility and profitability. On behalf of the board of directors, we thank you for all your support and look forward to an even better next year.

Yours sincerely,

Leung Chau Ping, Paul
Chief Executive Officer

各位股東、權益持有人及僱員：

截至二零一零年三月三十一日止財政年度永保林業控股有限公司經歷重大轉變及持續進展。本人藉此機會感謝本集團全體僱員及彼等之家人對本集團作出貢獻，讓本集團成功轉營為一家世界級天然森林資源控股公司。同時，本財政年度充滿轉變，亦由於本集團在二零零九年開始時，全球金融危機引致木材業經歷最艱難時刻，直至本年度中期，本集團方步入穩定復蘇之正軌。

建立可持續、負責任並具有盈利能力之業務為本集團業務模式及策略之核心。儘管遇上史無前例之全球金融危機，本集團於二零零九年七月收購林業業務時，由始至終貫徹相當積極之營運及財政目標。透過本集團全體員工、鏈鋸營運商、鋸木廠工人、森林工程師、木材裝卸營運商、品質監控專員、銷售員、會計師等努力不懈及堅定不移，本集團於開始林業業務首年已立即錄得財務溢利。

本人欣然向閣下提呈截至二零一零年三月三十一日止年度之營運及財務回顧，與閣下分享本集團達成之進展及里程碑，以及當中遇上之挫折及困難。

巨大轉變往往衍生更多機遇。本集團繼續重視本集團員工、股東、權益持有人以及可持續發展、遵守社會責任及維持盈利能力之核心公司價值。我們謹代表董事會感謝閣下支持，並展望來年再創高峰。

行政總裁
梁秋平

Financial Highlights

財務摘要

Sustainable Forest Holdings Limited Annual Report 2009/10

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated)* (重列)*	Changes 變化幅度
Operating results	經營業績			
Continuing operations	持續經營業務			
Revenue	收入	263,063	–	100%
Gross profit	毛利	118,866	–	100%
Discontinued operations	已終止業務			
Revenue	收入	79,517	178,061	(55.3%)
Gross (loss)/profit	(毛損)/毛利	(9,751)	16,495	(159.1%)
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔溢利/(虧損)	273,303	(12,707)	2,250.8%
Financial position at year end	於年結日之財務狀況			
Property, plant and equipment	物業、廠房及設備	201,293	1,736	11,495.2%
Biological assets	生物資產	833,323	–	100%
Goodwill	商譽	1,686,883	–	100%
Cash and cash equivalents (including pledged bank deposit)	現金及現金等價物 (包括已抵押銀行存款)	36,820	114,938	(68.0%)
Net current assets	流動資產淨值	257,101	163,106	62.1%
Total assets	總資產	3,338,236	237,960	1,302.9%
Total interest-bearing loans	總計息貸款	506	16,306	(96.9%)
Total liabilities	總負債	831,606	57,618	1,343.3%
Equity attributable to the Company's owners	本公司擁有人應佔之權益	2,506,568	166,228	1,407.9%
Per share information	每股資料			
Basic earnings (loss) per share (Hong Kong cents)	每股基本盈利(虧損) (港幣仙)			
Continuing operations	持續經營業務	21.37 cents 仙	43.19 cents 仙	(50.5%)
Continuing and discontinued operations	持續經營業務及 已終止業務	19.64 cents 仙	(2.53) cents 仙	876.3%
Net asset value per share	每股資產淨值	107.7 cents 仙	8.4 cents 仙	1,182.1%

* Due to the disposal of certain operations during the year, certain comparative figures have been re-classified to conform with current year's presentation.

* 由於年內已出售若干業務，若干比較數字已重新分類以貫徹本年度之呈報方式。

Management Discussion and Analysis

管理層討論及分析

永保林業控股有限公司 二零零九／二零一零年年報

FINANCIAL REVIEW

For the year ended 31 March 2010 and 2009, the Group had 6 business segments including tree felling service, sustainable forest management, Chita forests operation, building materials, real estate and mining. An analysis of turnover for the year ended 31 March is as follows:

		2010 二零一零年		2009 二零零九年		Increase (Decrease) 增加(減少)	
		HK\$'000 港幣千元	%	HK\$'000 港幣千元 (Restated) (重列)	%	HK\$'000 港幣千元	%
Continuing operations	持續經營業務						
Tree felling service	伐木服務	237,073	90.1%	–	–	237,073	100%
Sustainable forest management	可持續森林管理	25,990	9.9%	–	–	25,990	100%
		263,063	100%	–	–	263,063	100%
Discontinued operations	已終止業務						
Building materials	建材	77,381	97.3%	162,641	91.3%	(85,260)	(52.4%)
Chita forests operation	赤塔森林業務	2,013	2.5%	–	0%	2,013	100%
Real Estate	房地產	123	0.2%	5,054	2.8%	(4,931)	(97.6%)
Mining	採礦	–	0%	10,366	5.9%	(10,366)	(100%)
		79,517	100%	178,061	100%	(98,544)	(55.3%)

For the year ended 31 March 2010, turnover from continuing operations amounted to HK\$263.1 million and comprised solely turnover from tree felling services and sustainable forestry management business segments, the newly acquired in July 2009. Tree felling services business segment began operations in mid January 2010. Turnover from the tree felling services business segment represented revenue derived from the tree felling services for the construction of two hydropower plants in Rondonia State, Amazon, Brazil, while turnover from the sustainable forest management business segment represented revenue from sales, trading and processing of timber products from sustainably managed forests.

Turnover from discontinued operations totaled HK\$79.5 million for the year ended 31 March 2010, of which HK\$77.4 million or 97.3% was attributable to the building materials business segment. All of the building materials, real estate and mining business segments were disposed of during the year ended 31 March 2010.

Net profit of the Group for the year ended 31 March 2010 amounted to HK\$274.3 million. This represented a 938.8% and 339.2% increase from the net losses of HK\$32.7 million and HK\$114.7 million reported for the year ended 31 March 2009 and 2008, respectively.

During the year under review, a net loss from discontinued operations of HK\$10.6 million, and a loss on the disposal of discontinued operations of HK\$12.5 million were included in the net profit of the Group. If the net results and loss on the disposal from discontinued operations were excluded, the net profit of the Group would total HK\$297.4 million.

財務回顧

截至二零一零年及二零零九年三月三十一日止年度，本集團之業務分為六大分部，包括伐木服務、可持續森林管理、赤塔森林業務、建材、房地產及採礦。截至三月三十一日止年度營業額分析如下：

截至二零一零年三月三十一日止年度，來自持續經營業務之營業額為港幣263,100,000元，主要包括來自伐木服務及二零零九年七月新收購之可持續森林管理業務分部之營業額。伐木服務分部於二零一零年一月中旬開始營運。來自伐木服務業務分部之營業額為就於巴西亞馬遜朗多尼亞州興建兩個水力發電廠提供伐木服務所產生收入，來自可持續森林管理業務分部之營業額則為銷售、買賣及加工持續管理之森林之木材產品所產生收入。

截至二零一零年三月三十一日止年度來自已終止業務之營業額合共港幣79,500,000元，當中港幣77,400,000元或97.3%計入建材業務分部。所有建材、房地產及採礦業務已於截至二零一零年三月三十一日止年度出售。

本集團截至二零一零年三月三十一日止年度之純利為港幣274,300,000元，分別較截至二零零九年及二零零八年三月三十一日止年度之虧損淨額港幣32,700,000元及港幣114,700,000元增加938.8%及339.2%。

於回顧年度，來自已終止業務之虧損淨額港幣10,600,000元及出售已終止業務虧損港幣12,500,000元已計入本集團純利。倘扣除已終止業務之業績淨額及出售虧損，本集團之純利將合共為港幣297,400,000元。

Management Discussion and Analysis

管理層討論及分析

Sustainable Forest Holdings Limited Annual Report 2009/10

FORESTRY BUSINESS

Overview

On 31 July 2009, the Group completed the acquisition of the entire interest in Amplewell Holdings Limited (“Amplewell”) and its subsidiaries (“Amplewell Group”) which own approximately 44,500 hectares of natural tropical forest lands on a freehold basis in Acre State, Amazon, Brazil and 242,000 hectares of concession rights in Siberia, Russia. Total standing matured stock for the Amazon and Siberia forests are estimated at 12.0 million m³ and 21.7 million m³, respectively.

Our forestry business specializes in investments in natural forests and forest resources with both softwood and tropical hardwood. We practise sustainable forest management where we employ minimum impact logging techniques when harvesting our forests on a selective basis. Logs from our forests are then processed to semi-finished timber products by contracted third party processors or in our own processing facilities. Our timber products are our customers’ raw materials in their manufacturing processes. We currently supply to customers in China, the United States, Europe, Japan and Brazil.

To our customers, we are a truly integrated “ONE-STOP-SHOP” supplier of semi-finished timber products with our own forest resources; on-the-ground quality control; processing capabilities and direct sales services where our customers are. The Group’s forest resources cover both valuable hardwood with high commercial value and popular softwood species.

Profitability

For the year ended 31 March 2010, our total net profit after tax was HK\$274.3 million as compared to a net loss after tax of HK\$32.7million a year ago. With less than a full year of operations after acquisition on July 31, 2009, our forestry operations recorded total turnover of HK\$263.1 million and generated net profit after tax of HK\$326.4 million, turning around a 4-year streak of net losses for the Group. Gain on change in the fair value of our biological (forest) assets (net of tax) amounted to HK\$244.5 million and was primarily attributable to rise in average log market prices and favorable foreign currency revaluation.

Sustainability

We are committed to creating long-term value and sustainable growth through responsible, sustainable practices throughout our operations. We strive to be the best company in environmental responsibilities in the forestry industry in Asia and a model for sustainable forestry to our peers.

Our corporate strategies are developed based on the three pillars of sustainable development: social progress, economic growth and environmental protection.

林業業務

概覽

於二零零九年七月三十一日，本集團完成收購沛源控股有限公司（「沛源」）及其附屬公司（「沛源集團」）全部權益，該公司於巴西亞馬遜亞克裏州擁有約44,500公頃天然熱帶森林土地之永久業權，以及於俄羅斯西伯利亞242,000公頃之特許權。估計亞馬遜及西伯利亞森林之直立成熟樹幹總數分別為12,000,000立方米及21,700,000立方米。

本集團之林業業務專門從事投資於擁有軟木及熱帶硬木之天然森林及森林資源。本集團從事可持續森林管理，使用影響最輕微之伐木技術，選擇性地砍伐森林。來自本集團森林之木材其後由第三方加工廠或本集團自設加工廠加工成為半製成產品。本集團之木材產品為客戶於生產工序當中之原材料。本集團現時向中國、美國、歐洲、日本及巴西客戶供應木材。

就本集團客戶而言，本集團為半製成木材產品之真正綜合「一站式店舖」供應商，擁有森林資源；全面質量監控；加工能力及可直接予客戶所在銷售服務。本集團之森林資源涵蓋擁有高商業價值之珍貴硬木及廣受客戶歡迎之軟木。

溢利水平

截至二零一零年三月三十一日止年度，本集團之除稅後純利總額為港幣274,300,000元，去年則錄得除稅後虧損淨額港幣32,700,000元。於二零零九年七月三十一日作出收購後經營不足一年，惟本集團之林業業務已錄得總營業額港幣263,100,000元，並產生除稅後純利港幣326,400,000元，在集團連續4年錄得虧損淨額後轉虧為盈。除稅後生物（林木）資產公平值變動收益為港幣244,500,000元，主要來自木材平均市價上升及外匯重估帶來正面作用。

可持續性

本集團致力透過負責及可持續之營運常規創造長期價值及可持續增長。本集團努力成為亞洲林業最妥善履行環保責任之公司，以及成為同業可持續林業營運之模範。

本集團之企業策略為根據可持續發展之三大支柱：社會進步、經濟增長及環境保護作發展。

Management Discussion and Analysis

管理層討論及分析

永保林業控股有限公司 二零零九／二零一零年年報

During the year ended 31 March 2010, we received approval for the Sustainable Management Program (SMP) for our 44,500-hectare Acre forests in the Acre State, Amazon, Brazil. However, we were not able to begin the harvesting operations in Acre State as scheduled due to the delays in the completion of the acquisition of the forestry group, and a strategic decision by the Executive Committee to focus the Group's resources on our exclusive tree felling project in Rondonia State, Amazon, Brazil.

Social Responsibility

During the fiscal year ended 31 March 2010, we set up a special executive task force to design, evaluate and implement social programs. The task force was to determine the objectives and lay down the guidelines for our social programs. The following are the objectives that were recommended to the management of the Group by our task force:

- To promote sustainable development within the communities we work in
- To help improve the living standards and quality of life for the local communities
- To prevent deforestation (slash-and-burn) by indigenous communities

In addition, the task force also recommended that the programs should provide means for the local indigenous communities to help themselves – thus achieving sustainability. Some of the initial programs under evaluation aim to utilize the vast existing non-timber resources within our forests, such as essential tree oil, organic nuts and fruits. We will report periodically on the development of these programs.

Expansion of Our Forest Resources

On 15 November 2009 and 19 February 2010, we announced the signing of two Memoranda of Understanding to acquire additional freehold forests, forest concessions and related processing facilities in Para State and Acre State, Amazon, Brazil. Upon completion of the two acquisitions, our forest resources will increase from approximately 290,000 hectares to more than 1,300,000 hectares of natural forests.

Aside from expansion through acquisitions, we plan to expand our forest resources through public-private partnerships or social programs where we work with local indigenous communities and Governments through exclusive management contracts. Under such arrangement, we will provide training to the indigenous communities in sustainable forest management practices, employment and profit sharing.

With extensive networks and presences on the ground in Brazil and Russia, we believe we can continue to expand our forest resources and attain global dominance in the near future.

截至二零一零年三月三十一日止年度，本集團於巴西亞馬遜亞克裏州亞克裏森林之44,500公頃土地已獲可持續管理計劃(Sustainable Management Program)(「可持續管理計劃」)批准。然而，由於完成收購林業集團出現延誤，加上執行委員會計劃會將本集團資源集中投放於巴西亞馬遜朗多尼亞州獨家伐木計劃之策略決定，故本集團未能如期開始於亞克裏州開始進行砍伐。

社會責任

截至二零一零年三月三十一日止財政年度，本集團設立一特別執行團隊以設計、評估及履行社會責任。該隊伍之責任為釐定目標，並就社會責任提供指引。以下為該團隊向本集團管理層建議之目標：

- 推廣本集團營運之社區可持續發展
- 協助改善當地社區之生活水平及生活質素
- 防止土著社區砍伐及燃燒森林林木

此外，該團隊亦建議，計劃應包含向當地土著社區提供協助方法，從而達致持續發展。若干正在評估之初步計劃目標為善用本集團森林內之大量現有非木材資源，如樹精油、有機果實及水果。本集團將定期報告該等計劃之發展情況。

擴充林木資源

於二零零九年十一月十五日及二零一零年二月十九日，本集團宣佈簽訂兩份諒解備忘錄，以收購巴西亞馬遜帕拉州及亞克裏州之額外永久業權森林特許權及加工設施。兩項收購完成後，本集團之森林資源將由約290,000公頃增加至超過1,300,000公頃天然森林。

除透過收購擴展外，本集團計劃透過公營與私營機構組成夥伴或社會計劃進行擴展，根據有關社會計劃，本集團透過獨家管理合約與當地土著社區及政府合作。根據有關安排，本集團將向土著社區提供可持續森林管理常規訓練、就業機會及分享盈利。

憑藉於巴西及俄羅斯之廣闊網絡及影響力，本集團相信可繼續擴展林木資源，並於不久將來達到全球舉足輕重的地位。

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Gaining Exclusive Tree Felling Services Contract for Construction of Hydropower Plants in Rondonia

In November 2009, we won an exclusive service contract to assist two hydropower plants in Rondonia State, Amazon, Brazil to fell and clear trees for their plant sites and artificial lakes. With total installed capacity of over 6,000 Megawatts, the two hydropower plants will provide clean alternative energy to more than 11 million households in the Amazon and other parts of Brazil when they become fully operational in 2015. The combined sites cover an area of approximately 200,000 hectares and will contribute significant timber resources to the Group for the next five years.

To prevent damage to marine life and the subsequent release of the stored carbon back into the atmosphere by the decaying trees if the forest areas were to be flooded without clearing, IBAMA, Brazil's federal environmental agency, has approved, for the first time, for the hydropower plants to clear cut prior to construction.

Our first harvesting subcontractor began mobilizing equipment and staff into the assigned forest areas immediately in January 2010 and the operations commenced in full swing in February. For the three-month period from January to March 2010, approximately 3,000 hectares of forests were harvested and more than 300,000 m³ of logs were obtained. Activities are expected to significantly pick up after the rainy season which generally ranges from December to April each year. By the end of March 2010, we brought in additional subcontractors to increase the speed of harvesting and to introduce competition between the subcontractors. As a result, since we began in January 2010, we were able to reduce our overall harvesting unit cost by approximately 40%.

Increase of Capital and Shareholder Base

The capital markets were marked by great volatility during the year under review and it was generally challenging for companies to raise capital. We are very pleased that we were able to attract new capital and investors during the year ended 31 March 2010. Specifically in May 2010, NWS Financial Management Limited, a subsidiary of NWS Holdings Limited (the "Subscriber"), subscribed to 412,000,000 ordinary shares and became the second largest shareholder of the Company.

Chita Forests Operation

For the year ended 31 March 2010, Chita forests operation in Russia contributed a marginal turnover of HK\$2.0 million and net loss after tax of HK\$12.0 million. On 1 March 2010, Amplewell entered into a letter of intent with an independent third party to dispose of the entire equity interest in "OOO" "Zabaikalskaya Leonaya Kompaniya" ("ZLK") and its subsidiary, "OOO" "Novoles" ("Novoles") (collectively "ZLK Group"). As such, it is classified as discontinued operations. Negotiation is ongoing and no pricing has been fixed as of the date of this report. The Group has decided to dispose of its Chita Forests Operations as part of its ongoing strategy to seek forest assets or operations with better returns on investments, hence improving the value they bring to shareholders.

就於朗多尼亞興建水力發電廠取得獨家伐木服務合約

於二零零九年十一月，本集團取得獨家服務合約，於巴西亞馬遜朗多尼亞州兩間水力發電廠之工廠地盤及人工湖砍伐及清理木材。兩間水力發電廠之總安裝產能將超過6,000兆瓦特，於二零一五年全面投入運作後，將為亞馬遜及巴西其他地區超過11,000,000戶家庭提供潔淨替代能源。綜合設施佔地約200,000公頃，將於未來五年為本集團提供龐大木材資源。

為防止海洋生態受破壞，以及森林區在未經清理之情況下受洪水影響所產生腐朽樹木向環境排放碳元素，巴西國家環境機構「巴西環境與再生自然資源所」首次批准水力發電廠於興建前先清除樹木。

本集團首家伐木分包商已於二零一零年一月立即開始調動設備及人手到指定森林區，並於二月全面投入運作。於二零一零年一月至三月止三個月期間，約3,000公頃森林被砍伐，獲得超過300,000立方米原木。砍伐活動預期於雨季後加速進行，雨季一般為每年十二月至四月。於二零一零年三月底，本集團獲更多分包商，增加砍伐速度並令分包商之間出現競爭。因此，本集團自二零一零年一月開始運作以來，成功將整體砍伐單位成本減低約40%。

增加資本及股東基礎

於回顧年內，資本市場波幅甚大，公司一般難以籌集資金。本集團喜見截至二零一零年三月三十一日止年度仍可吸納新資金及投資者。特別是新創建集團有限公司之附屬公司NWS Financial Management Limited(「認購人」)於二零一零年五月認購412,000,000股普通股，並成為本公司第二大股東。

赤塔森林業務

截至二零一零年三月三十一日止年度，俄羅斯赤塔森林業務僅錄得營業額港幣2,000,000元，並錄得除稅後虧損淨額港幣12,000,000元。於二零一零年三月一日，本集團全資附屬公司沛源與獨立第三方訂立意向書，擬以出售OOO "Zabaikalskaya Leonaya Kompaniya" (「ZLK」)及其附屬公司OOO "Novoles" (「Novoles」) (統稱「ZLK Group」)全部股本權益。因此，該業務分類為已終止業務。現正就此進行磋商，於本報告日期尚未釐定任何價格。本集團決定出售其赤塔森林業務作為其持續策略之一部分，並尋求投資回報更佳之森林資產或營運，從而改善該等投資為股東帶來之價值。

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Looking Ahead

Looking ahead, some of our short and long term goals are:

- Remaining committed to sustainable practices in forest management and pursue Forest Stewardship Council (“FSC”) certification for our forests, current and future.
- Caring for our people and our environment.
- Growing through market share consolidations and expansion of our forest resources through acquisitions, social programs, management contracts, or co-investment with strategic partners.

While there will definitely be challenges along the way, we are firmly set on the path of becoming global number one in timber resources holding.

Building Materials Business

For the year ended 31 March 2010, the building materials business segment contributed a turnover of HK\$77.4 million (for the year ended 31 March 2009: HK\$162.6 million) and a net loss of HK\$1.4 million (for the year ended 31 March 2009: HK\$2.9 million). In order to focus on the forestry business, the Group entered into agreements to dispose the entire segment in December 2009, a net loss of HK\$3.2 million was realised from the disposal. The Group ceased to have any building materials business segment on 24 March 2010.

Property Development Business

For the year ended 31 March 2010, the property development business segment contributed a turnover of HK\$0.1 million (for the year ended 31 March 2009: HK\$5.1 million) and a net loss of HK\$9.6 million (for the year ended 31 March 2009: HK\$6.7 million). Due to the slowdown of the property market in the PRC and continuing loss making by the segment, the Group entered into agreements to dispose the entire segment in August and September 2009, a net loss of HK\$9.2 million was realised from the disposal. The Group ceased to have any property development business on 30 September 2009.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2010, the Group had cash and cash equivalents amounted to HK\$36.8 million (31 March 2009: HK\$114.9 million, including pledged bank deposits).

The Group’s gearing ratio expressed as a percentage of total interest bearing borrowings, excluding the interest bearing borrowings classified under liabilities held for sale, over equity attributable to the Company’s equity holders, decreased from 9.8% as at 31 March 2009 to 1.0% as at 31 March 2010.

展望

展望將來，本集團短期及長期目標如下：

- 致力維持林業管理之可持續常規，為本集團現時及日後之森林取得森林管理委員會（「FSC」）認證。
- 關注人類及環境。
- 透過整合市場佔有率達致增長，透過收購、社會計劃、管理合約或與策略夥伴合作投資擴大本集團之森林資源。

沿路難免遇到挑戰，惟本集團目標堅定，努力成為擁有全球最大木材資源之公司。

建材業務

截至二零一零年三月三十一日止年度，建材業務分部帶來營業額港幣77,400,000元（截至二零零九年三月三十一日止年度：港幣162,600,000元）及虧損淨額港幣1,400,000元（截至二零零九年三月三十一日止年度：港幣2,900,000元）。為專注於林業業務，本集團於二零零九年十二月訂立協議出售整個分部，出售產生虧損淨額港幣3,200,000元。本集團於二零一零年三月二十四日終止擁有任何建材業務分部。

物業發展業務

截至二零一零年三月三十一日止年度，物業發展業務分部帶來營業額港幣100,000元（截至二零零九年三月三十一日止年度：港幣5,100,000元）及虧損淨額港幣9,600,000元（截至二零零九年三月三十一日止年度：港幣6,700,000元）。由於中國物業市道放緩，加上此分部持續虧蝕，故本集團於二零零九年八月及九月訂立協議出售整個分部，出售產生虧損淨額港幣9,200,000元。本集團於二零零九年九月三十日終止擁有任何物業發展業務。

流動資金及財務資源

於二零一零年三月三十一日，本集團之現金及現金等價物為港幣36,800,000元（二零零九年三月三十一日：港幣114,900,000元，包括已抵押銀行存款）。

本集團之資本負債比率為計息借貸總額（不包括分類為持作出售負債項下之計息借貸）除本公司權益持有人應佔權益之百分比，由二零零九年三月三十一日之9.8%降至二零一零年三月三十一日之1.0%。

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As at 31 March 2010, the Group had HK\$25.1 million (31 March 2009: HK\$16.3 million) interest bearing borrowings, of which HK\$24.8 million were repayable within one year and the remaining HK\$0.3 million were repayable after one year. The total interest bearing borrowings consisted of HK\$0.5 million in bank borrowings and HK\$24.6 million in promissory notes. As at 31 March 2010, the Group's working capital was approximately HK\$257.1 million (31 March 2009: HK\$163.1 million).

On 30 July 2009, the Company completed the placing of 3,523,280,000 shares at HK\$0.055 per placing share to independent third parties pursuant to a placing agreement signed with President Securities (Hong Kong) Limited, placing agent. The net proceeds raised from the placing approximated HK\$187.8 million.

On 22 October 2009, Sun Hung Kai Investment Services Limited, placing agent, through a top-up placing agreement, placed 917,640,000 shares at HK\$0.081 per share to independent placees pursuant to a placing agreement. The top-up subscription was completed on 27 October 2009 and net proceeds totalled HK\$72.0 million.

On 26 May 2010, the Company entered into a subscription agreement with the Subscriber who is an independent third party to the Group, pursuant to which the Company agreed to allot and issue to the Subscriber, the subscription shares of 412,000,000 new shares at HK\$0.50 per subscription share. The Company completed the subscription of 412,000,000 shares on 2 June 2010. The net proceeds raised from the subscription were approximately HK\$190.6 million.

CHARGE ON ASSETS

As at 31 March 2010, general banking facilities granted to the Group were secured by property, plant and equipment with a carrying value of HK\$0.9 million.

CONTINGENT LIABILITIES

The Group's contingent liabilities at 31 March 2010 are disclosed in note 48 to the consolidated financial statements.

於二零一零年三月三十一日，本集團之計息借貸為港幣25,100,000元(二零零九年三月三十一日：港幣16,300,000元)，其中港幣24,800,000元須於一年內償還，餘額港幣300,000元則須於一年後償還。計息借貸總額包括銀行借貸港幣500,000元及承付票據港幣24,600,000元。於二零一零年三月三十一日，本集團之營運資金約為港幣257,100,000元(二零零九年三月三十一日：港幣163,100,000元)。

本公司於二零零九年七月三十日，根據與配售代理統一證券(香港)有限公司訂立之配售協議向獨立第三方以每股配售股份港幣0.055元之價格完成配售3,523,280,000股股份。配售所得款項淨額約為港幣187,800,000元。

於二零零九年十月二十二日，配售代理新鴻基投資服務有限公司根據一份配售協議透過一份先舊後新配售協議向獨立承配人以每股港幣0.081元配售917,640,000股股份。先舊後新認購已於二零零九年十月二十七日完成，所得款項淨額合共為港幣72,000,000元。

於二零一零年五月二十六日，本公司與為本集團獨立第三方之認購人訂立認購協議，據此，本公司同意按每股認購股份港幣0.50元向認購人配發及發行412,000,000股新股份。本公司已於二零一零年六月二日完成認購412,000,000股股份。認購事項之所得款項淨額約為港幣190,600,000元。

資產抵押

於二零一零年三月三十一日，本集團獲授之一般銀行融資乃以賬面值為港幣900,000元之物業、廠房及設備作抵押。

或然負債

本集團於二零一零年三月三十一日之或然負債已於綜合財務報告附註48披露。

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FOREIGN EXCHANGE RISK

The Group's continuing operation mainly operates in Brazil, Russia, the PRC and Hong Kong.

During the year ended 31 March 2010, revenue from continuing operations was denominated mainly in United States dollars and the Euro while its costs and expenses were primarily in Brazilian Reais and Russian Rubles where the Group's continuing operations are based. The Group is exposed to potential foreign exchange risk as a result of fluctuations between those currencies.

In addition, the main operational assets of the Group are located and denominated in local currencies in Brazil and Russia while the Group's reporting currency is in Hong Kong dollars. This also exposes the Group to potential foreign exchange risk upon translation of those assets on each reporting date.

The Group did not enter into any arrangements or financial instruments for the purpose of hedging against the potential foreign exchange risks during the year under review. Management believes that the Group's exposure to foreign exchange risks can be mitigated by increasing local sales denominated in Reais and/or Rubles to pay for the operating costs and expenses were those currencies to rise substantially against US dollars or the Euro. As for the operational assets of the Group, any foreign exchange gain or losses due to translation of the carrying value of the assets to the Group's reporting currency on reporting dates are unrealised and non-cash in nature. As such, active hedging activities are not considered warranted. Nonetheless, management will monitor closely its foreign currency exposure to ensure appropriate measures are taken promptly against any significant potential adverse impact.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 March 2010, the Group had approximately 240 employees (2009: 40) mainly in Hong Kong, PRC, Brazil and Russia. The total remuneration paid by the Group to its employees (including directors) for the year was approximately HK\$17.5 million (2009: HK\$9.0 million).

The Group rewards its employees according to prevailing market practices, individual experience, performance and requirements under applicable labor laws in the Group's operational locations. In addition to the provision of annual bonus, provident fund scheme and medical insurance coverage, discretionary bonuses and share options are also available to employees.

外匯風險

本集團之持續經營業務主要位於巴西、俄羅斯、中國及香港。

截至二零一零年三月三十一日止年度，來自持續經營業務之收入主要以美元及歐元列賬，其成本及開支主要為本集團持續經營業務所在地巴西之雷亞爾及俄羅斯盧布計值。本集團面對該等貨幣匯率波動產生之潛在外匯風險。

此外，本集團主要營運資產位於巴西及俄羅斯並以當地貨幣計值，而本集團之呈報貨幣為港幣，此亦導致本集團於每個報告日期換算該等資產時承受潛在外匯風險。

於回顧年度，本集團並無作出任何安排或利用任何財務工具對沖潛在外匯風險。管理層相信，本集團所承受外匯風險可於倘該等貨幣對美元或歐元大幅升值時透過增加以雷亞爾及／或盧布之當地銷售額以支付當地營運成本及開支而減輕。就本集團營運資產而言，任何因於報告日期換算資產賬面值為本集團呈報貨幣所產生外匯盈虧屬未變現及非現金性質。因此，積極對沖活動被視為並不恰當。然而，管理層將密切監察其外匯風險，以確保已就任何重大潛在不利影響採取果斷及恰當措施。

人力資源及薪酬政策

於二零一零年三月三十一日，本集團有約240名僱員(二零零九年：40名)，主要駐於香港、中國、巴西及俄羅斯。本集團年內支付予僱員(包括董事)之薪酬總額約為港幣17,500,000元(二零零九年：港幣9,000,000元)。

本集團根據當前市場慣例、僱員之個人資歷及表現以及本集團營運所在地之適用勞工法例規定酬謝僱員。除了發放年度花紅、設立公積金計劃及提供醫療保險外，本集團亦按僱員之表現向僱員發放酌情花紅及授出購股權。

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MATERIAL ACQUISITION AND DISPOSALS OF SUBSIDIARIES

Material acquisition

On 28 February 2009 and 10 March 2009, the Group entered into a conditional acquisition agreement and a supplemental agreement (the "Agreements") with Winner Global Holdings Limited ("Winner Global"), an independent third party to the Group, to acquire the entire interest in Amplewell Group for a total consideration of HK\$1,860,045,000 (subject to adjustment), which were satisfied as to:

- (i) HK\$15,500,000 by way of the Deposit in cash upon signing of the Agreements;
- (ii) HK\$25,000,000 by payment in cash to the Winner Global or its nominees at completion;
- (iii) HK\$232,000,000 by procuring the issue of the Promissory Note by the Company to Winner Global or its nominees at completion;
- (iv) HK\$43,175,000 by procuring the allotment and issue of the Consideration Shares by the Company to Winner Global or its nominees at completion;
- (v) HK\$1,437,260,000 (subject to adjustment) by procuring the allotment and issue of the First Tranche Preference Shares by the Company to the Winner Global or its nominees at completion;
- (vi) HK\$30,000,000 by payment in cash to the Winner Global or its nominees within 2 months from the completion date; and
- (vii) HK\$77,110,000 (subject to adjustment) by procuring the allotment and issue of the Second Tranche Preference Shares by the Company to Winner Global or its nominees on Winner Global Warranty Expiry Date, being the date falling on the expiry of the eighteenth month from the completion date.

Please refer to the circular of the Company dated 25 June 2009 and note 44 to the consolidated financial statements for detailed information. The acquisition was completed on 31 July 2009.

附屬公司之重大收購及出售

重大收購

於二零零九年二月二十八日及二零零九年三月十日，本集團與獨立於本集團之第三方Winner Global Holdings Limited(「Winner Global」)訂立有條件收購協議及補充協議(「該等協議」)，收購沛源集團全部權益，總代價為港幣1,860,045,000元(可予調整)，乃以下列方式支付：

- (i) 港幣15,500,000元在簽署該等協議時以訂金之形式以現金支付；
- (ii) 港幣25,000,000元在完成時以現金支付予Winner Global或其代理人；
- (iii) 港幣232,000,000元透過促使本公司在完成時向Winner Global或其代理人發行承付票據之方式支付；
- (iv) 港幣43,175,000元透過促使本公司在完成時向Winner Global或其代理人配發及發行代價股份之方式支付；
- (v) 港幣1,437,260,000元(可予調整)透過促使本公司在完成時向Winner Global或其代理人配發及發行第一批優先股份之方式支付；
- (vi) 港幣30,000,000元由完成日期起計兩個月內以現金支付予Winner Global或其代理人；及
- (vii) 港幣77,110,000元(可予調整)透過促使本公司在Winner Global保證期到期日(即完成日期起計第十八個月屆滿當日)向Winner Global或其代理人配發及發行第二批優先股份之方式支付。

請參閱本公司日期為二零零九年六月二十五日之通函及綜合財務報告附註44，以瞭解詳細資料。收購已於二零零九年七月三十一日完成。

Management Discussion and Analysis

管理層討論及分析

永保林業控股有限公司 二零零九／二零一零年報

Material disposals

On 1 August 2009, the Group entered into an agreement with Mr. Tse Chun Fai, an independent third party to the Group, to dispose of its entire interest in Joyful Rise Investment Limited and Beijing Joyful Rise Investment Consulting Company Ltd at a consideration of HK\$1.0, which were satisfied by payment in cash. The disposal was completed on 1 August 2009.

On 22 September 2009, the Group entered into an agreement with Mr. Goh Ee Bin, an independent third party to the Group, to dispose of its entire interest in Leadprime Limited and its subsidiaries at a consideration of RMB16 million (equivalent to approximately HK\$18.2 million), which were satisfied by payment in cash. The disposal was completed on 30 September 2009.

On 15 December 2009, Anex Construction and Engineering Holdings Limited, a wholly owned subsidiary of the Company, entered into a sale and purchase agreement with United Marble Company Limited, a non-controlling shareholder of two subsidiaries, United Anex Engineering Limited and United Anex (Macau) Limited, to dispose of its entire equity interest in Anex Far East Limited and its subsidiaries (collectively "Anex Far East Group") for a consideration of HK\$8,280,000. Anex Far East Group was principally engaged in the building material business. The disposal was completed on 24 March 2010.

On 31 December 2009, the Company entered into a sale and purchase agreement with Mr. Chan Tsz Kin, an independent third party, to dispose of the entire equity interest in Idealboom Group Limited and its subsidiaries, Ever Think Holdings Company Limited and Ever Think Technology Limited, (collectively "Idealboom Group") for a cash consideration of HK\$4,000,000. Idealboom Group was principally engaged in the building material operations and it was dormant since the financial year ended 31 March 2009. The disposal was completed on 28 February 2010.

重大出售

於二零零九年八月一日，本集團與獨立於本集團之第三方謝春暉先生訂立協議，出售晉嘉投資有限公司及北京晉嘉宏採投資諮詢有限公司之全部權益，代價為港幣1.0元，已以現金支付。出售已於二零零九年八月一日完成。

於二零零九年九月二十二日，本集團與獨立於本集團之第三方Goh Ee Bin先生訂立協議，出售始領有限公司及其附屬公司之全部權益，代價為人民幣16,000,000元（約相當於港幣18,200,000元），已以現金支付。出售已於二零零九年九月三十日完成。

於二零零九年十二月十五日，本公司之全資附屬公司安歷士建築工程集團有限公司與華聯雲石有限公司（兩間附屬公司華聯安歷士工程有限公司及華聯安歷士（澳門）有限公司之非控股股東）訂立買賣協議，出售安歷士遠東有限公司及其附屬公司（統稱「安歷士遠東集團」）之全部股本權益，代價為港幣8,280,000元。安歷士遠東集團主要從事建材業務。出售已於二零一零年三月二十四日完成。

於二零零九年十二月三十一日，本公司與獨立第三方Chan Tsz Kin先生訂立買賣協議，出售佳旺集團有限公司及其附屬公司、永思控股有限公司及永思科研有限公司（統稱「佳旺集團」）全部股本權益，現金代價為港幣4,000,000元。佳旺集團主要從事建材業務，其自截至二零零九年三月三十一日止財政年度起暫無營業。出售已於二零一零年二月二十八日完成。

Report of Directors

董事會報告

Sustainable Forest Holdings Limited Annual Report 2009/10

The board of directors (the “Board” or “Directors”) of Sustainable Forest Holdings Limited (the “Company”) have pleasure in presenting to the shareholders of the Company (the “Shareholders”) their report together with the audited financial statements of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 March 2010.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The Company is an investment holding company. The principal activities of the Group comprised tree felling service, sustainable forest management, Chita forests operation, building materials supply and installation, real estate development and mining. The activities of its principal subsidiaries are set out in pages 118 to 119 of the consolidated financial statements.

An analysis of the Group’s performance for the year ended 31 March 2010 by geographical and business segments is set out in note 6 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2010 are set out in the Consolidated Statement of Comprehensive Income on page 45.

The Directors do not recommend the payment of final dividend for the year ended 31 March 2010 (2009: Nil).

ANNUAL GENERAL MEETING

The forthcoming annual general meeting will be held on 31 August 2010. Shareholders should refer to details regarding the annual general meeting in the circular and notice of annual general meeting with the accompanying proxy form.

CHANGE OF COMPANY NAME

Pursuant to a special resolution passed by the Shareholders at the special general meeting held on 21 January 2010 and the approval by the Registrar of the Companies in Bermuda on 26 January 2010, the name of the Company has been changed from “Bright Prosperous Holdings Limited 晉盈控股有限公司” to “Sustainable Forest Holdings Limited 永保林業控股有限公司” with the adoption of the new Chinese name for identification proposes. The stock short names for trading the shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) has been changed from “BRIGHT PROSPER” to “SUSTAIN FOREST” in English and from “晉盈控股” to “永保林業” in Chinese with effect from 26 February 2010.

FIVE-YEAR FINANCIAL SUMMARY

A financial summary of the results and the financial position of the Group for the last five financial years are set out on page 172.

永保林業控股有限公司(「本公司」)董事會(「董事會」或「董事」)欣然向本公司股東(「股東」)提呈本公司及其附屬公司(統稱「本集團」)截至二零一零年三月三十一日止年度之董事會報告及經審核財務報告。

主要業務及業務之地區分析

本公司為一家投資控股公司。本集團之主要業務包括伐木服務，可持續森林管理、赤塔森林業務、建材供應與裝置、房地產開發以及採礦。其主要附屬公司之業務載於綜合財務報告第118至119頁。

本集團各地區及業務分部截至二零一零年三月三十一日止年度之表現分析載於綜合財務報告附註6。

業績及分派

本集團截至二零一零年三月三十一日止年度之業績載於第45頁之綜合全面收益表。

董事不建議就截至二零一零年三月三十一日止年度派發末期股息(二零零九年：無)。

股東週年大會

應屆股東週年大會將於二零一零年八月三十一日舉行。務請股東參閱通函及股東週年大會通告以及隨附代表委任表格，以瞭解有關股東週年大會詳情。

更改公司名稱

根據股東於二零一零年一月二十一日舉行之股東特別大會通過之特別決議案，經百慕達公司註冊處處長於二零一零年一月二十六日批准後，本公司名稱已由「Bright Prosperous Holdings Limited 晉盈控股有限公司」更改為「Sustainable Forest Holdings Limited 永保林業控股有限公司」，本公司採用新中文名稱，以供識別。自二零一零年二月二十六日開始，本公司股份在香港聯合交易所有限公司(「聯交所」)進行買賣所採用英文簡稱由「BRIGHT PROSPER」改為「SUSTAIN FOREST」，而中文簡稱亦由「晉盈控股」改為「永保林業」。

五年財務概要

本集團於過去五個財政年度之業績及財務狀況之財務概要載於第172頁。

BIOLOGICAL ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Details of movements in the biological assets and property, plant and equipment of the Group and the Company during the year are set out in notes 21 and 18 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 40 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws or laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2010.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 43 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2010, no Company's reserves were available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended) (2009: Nil).

生物資產以及物業、廠房及設備

本集團及本公司之生物資產以及物業、廠房及設備於年內之變動詳情載於綜合財務報告附註21及18。

股本

本公司年內之股本變動之詳情載於綜合財務報告附註40。

優先購買權

本公司之公司細則或百慕達法例均無有關優先購買權之條文，規定本公司須向現時股東按持股比例發售新股份。

買賣或贖回本公司上市證券

截至二零一零年三月三十一日止年度內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

儲備

本公司及本集團之儲備於年內之變動詳情分別載於綜合財務報告附註43及綜合權益變動表。

可供分派儲備

於二零一零年三月三十一日，根據百慕達一九八一年公司法(經修訂)計算，本公司並無可供分派儲備(二零零九年：無)。

Report of Directors

董事會報告

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors:

- Mr LEUNG Chau Ping, Paul (Chief Executive Officer)
(appointed on 21 August 2009)
- Mr CHIU Raymond Yim (Chief Information Officer)
(appointed on 23 November 2009)
- Mr Leandro Dos Martires GUERRA
(Chief Operating Officer)
(appointed on 20 January 2010)
- Mr TEOH Tean Chai, Anthony (Acting Chief Executive Officer)
(resigned on 21 August 2009)
- Ms CHUNG Oi Ling, Stella
(resigned on 5 November 2009)

Independent Non-executive Directors:

- Mr LEUNG Siu Hung, Joel
(appointed on 21 August 2009)
- Mr CHU Kin Wang, Peleus
- Mr John Tewksbury BANIGAN
(appointed on 23 November 2009)
- Mr Lo Chi Ho, William
(resigned on 21 August 2009)
- Ms LAU Wa Chun
(resigned on 4 December 2009)

At the forthcoming annual general meeting of the above Directors, Mr CHU Kin Wang, Peleus will retire from office in accordance with Bye-law 87(2) of the Bye-laws of the Company. Further, Mr LEUNG Chau Ping, Paul, Mr CHIU Raymond Yim, Mr Leandro Dos Martires GUERRA, Mr Leung Siu Hung, Joel and Mr John Tewksbury BANIGAN the newly appointed Directors will also retire from office in accordance with Article 86(2). Save and except Mr CHIU Raymond Yim and Mr CHU Kin Wang, Peleus have declined to offer themselves for re-election at the forthcoming annual general meeting, all the above mentioned Directors will offer themselves for re-election as Directors of the Company at the forthcoming annual general meeting.

The Company has received from each Independent Non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange of (the "Listing Rules") and the Company considered all of them to be independent.

董事

年內及直至本報告日期之董事如下：

執行董事：

- 梁秋平先生(行政總裁)
(於二零零九年八月二十一日獲委任)
- 趙炎仁先生(資訊科技總裁)
(於二零零九年十一月二十三日獲委任)
- Leandro Dos Martires GUERRA先生
(首席營運總監)
(於二零一零年一月二十日獲委任)
- 張展才先生(代行政總裁)
(於二零零九年八月二十一日辭任)
- 鍾愛玲女士
(於二零零九年十一月五日辭任)

獨立非執行董事：

- 梁紹雄先生
(於二零零九年八月二十一日獲委任)
- 朱健宏先生
John Tewksbury BANIGAN先生
(於二零零九年十一月二十三日獲委任)
- 駱志浩先生
(於二零零九年八月二十一日辭任)
- 劉華珍女士
(於二零零九年十二月四日辭任)

於上述董事之應屆股東週年大會，朱健宏先生將按照本公司之公司細則第87(2)條退任。此外，新委任董事梁秋平先生、趙炎仁先生、Leandro Dos Martires GUERRA先生、梁紹雄先生及John Tewksbury BANIGAN先生亦將按照章程細則第86(2)條退任。除趙炎仁先生及朱健宏先生不願意於應屆股東週年大會重選連任外，上述全體董事均願意於應屆股東週年大會重選連任本公司董事。

各獨立非執行董事已根據聯交所證券上市規則(「上市規則」)第3.13條向本公司發出獨立身分之年度確認。本公司認為，全體獨立非執行董事均為獨立人士。

DIRECTORS' SERVICE CONTRACTS

Other than statutory compensation, no Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 32 to 35.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2010, the interests and short positions of the Directors and the chief executive or their associates in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules, were as follows:

董事服務合約

除法定賠償除外，擬於應屆股東週年大會重選連任之董事概無與本公司或其任何附屬公司訂有服務合約而本集團不可於一年內終止而免付賠償。

董事及高層管理人員之簡歷

本公司董事及本集團高層管理人員之簡歷載於第32至35頁。

董事於重大合約中之權益

本公司或其任何附屬公司並無訂立於年結日或年內任何時間存續及董事直接或間接擁有重大利益之任何重大合約。

董事及行政總裁於股份及相關股份之權益及淡倉

於二零一零年三月三十一日，董事及行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，擁有記錄於本公司根據證券及期貨條例第352條須存置登記冊之權益及淡倉，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)已另行知會本公司及聯交所之權益及淡倉如下：

Report of Directors

董事會報告

Sustainable Forest Holdings Limited Annual Report 2009/10

LONG POSITIONS

好倉

Name of Directors 董事姓名	Capacity 身分	Number of underlying Shares Held 所持相關 股份數目	Approximate Percentage of Issued Shares as at 31 March 2010 佔於二零一零年 三月三十一日 已發行股份之 概約百分比
Mr LEUNG Chau Ping, Paul 梁秋平先生	Personal 個人	20,421,710 (Note 1) (附註1)	0.88%
Mr CHIU Raymond Yim 趙炎仁先生	Personal 個人	5,105,427 (Note 2) (附註2)	0.22%
Mr Leandro Dos Martires GUERRA Leandro Dos Martires GUERRA先生	Personal 個人	5,105,427 (Note 3) (附註3)	0.22%
Mr John Tewksbury BANIGAN John Tewksbury BANIGAN先生	Personal 個人	2,042,171 (Note 4) (附註4)	0.088%

Notes:

- The personal interest of Mr LEUNG Chau Ping, Paul represents an interest in 20,421,710 underlying Shares in respect of options granted by the Company as detailed below.
- The personal interest of Mr CHIU Raymond Yim represents an interest in 5,105,427 underlying Shares in respect of options granted by the Company as detailed below.
- The personal interest of Mr Leandro Dos Martires GUERRA represents an interest in 5,105,427 underlying Shares in respect of options granted by the Company as detailed below.
- The personal interest of Mr John Tewksbury BANIGAN represents an interest in 2,042,171 underlying Shares in respect of options granted by the Company as detailed below.

Save as disclosed above, as at 31 March 2010, none of the Directors or the chief executive or their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO or which were required to be entered in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- 梁秋平先生之個人權益指就下文詳述之本公司所授出購股權於20,421,710股相關股份之權益。
- 趙炎仁先生之個人權益指就下文詳述之本公司所授出購股權於5,105,427股相關股份之權益。
- Leandro Dos Martires GUERRA先生之個人權益指就下文詳述之本公司所授出購股權於5,105,427股相關股份之權益。
- John Tewksbury BANIGAN先生之個人權益指就下文詳述之本公司所授出購股權於2,042,171股相關股份之權益。

除上文披露者外，於二零一零年三月三十一日，董事或行政總裁或彼等之聯繫人士於本公司或其任何相聯法團之股份、相關股份及債券中概無擁有根據證券及期貨條例第7及第8分部須知會本公司及聯交所之任何權益或淡倉，或須登記在本公司根據證券及期貨條例第352條須存置登記冊之任何權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

INTERESTS BY SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2010, the following persons had interests or short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

LONG POSITIONS

主要股東及其他人士於股份及相關股份之權益

於二零一零年三月三十一日，以下人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之權益或淡倉，或登記在本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉：

好倉

Name of Shareholder 股東名稱／姓名	Nature of interest 權益性質	Interest in Shares 於股份之權益	Number of Share Held 所持股份數目		Approximate Percentage of existing issued share capital of the Company as at 31 March 2010 於二零一零年三月三十一日佔本公司現有已發行股本概約百分比
			Interest in underlying Shares (Note 1) 於相關股份之股份權益 (附註1)	Total interest 總權益	
Winner Global Holdings Limited ("Winner Global") (Note 2)(附註2)	Corporate interest 公司權益	360,052,500	787,500,000	1,147,552,500	49.33%
Assure Gain International Limited ("Assure Gain") (Note 3)(附註3)	Corporate interest 公司權益	610,609,151	1,986,786,712	2,597,395,863	111.65%
Corp Insights Holdings Inc. ("Corp Insights") (Note 4)(附註4)	Corporate interest 公司權益	–	197,022,568	197,022,568	8.47%
Loh Jiah Yee, Katherine (Note 5) 樂家宜(附註5)	Personal interest 個人權益	610,609,151	2,183,809,280	2,794,418,431	120.11%
Lau Jack (Note 6) 廖家俊(附註6)	Family interest 家族權益	610,609,151	2,183,809,280	2,794,418,431	120.11%
Sun Finance Company Limited ("Sun Finance") (Note 7) 太陽國際財務有限公司 (「太陽財務」)(附註7)	Corporate interest 公司權益	610,609,151	1,986,786,712	2,597,395,863	111.65%

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Name of Shareholder 股東名稱/姓名	Nature of interest 權益性質	Number of Share Held 所持股份數目			Approximate Percentage of existing issued share capital of the Company as at 31 March 2010 於二零一零年三月三十一日佔本公司現有已發行股本概約百分比
		Interest in Shares 於股份之權益	Interest in underlying Shares (Note 1) 於相關股份之 股份權益 (附註1)	Total interest 總權益	
New Premier Holdings Limited (Note 8) (附註8)	Corporate interest 公司權益	–	117,225,209	117,225,209	5.04%
Lim Ping Wai (Note 9) 林萍惠(附註9)	Personal interest 個人權益	–	141,221,202	141,221,202	6.07%
Lo Ming Chi, Charles 勞明智	Personal interest 個人權益	–	118,554,283	118,554,283	5.10%
Ample Pearl International Limited ("Ample Pearl") (Note 10)(附註10)	Corporate interest 公司權益	–	355,636,405	355,636,405	15.29%

Notes:

- The relevant interests are unlisted physically settled convertible preference shares issued pursuant to the terms of the convertible preference shares approved by the shareholders of the Company at a special general meeting held on 13 July 2009. Upon conversion of the convertible preference shares, ordinary shares of HK\$0.0533 each in the share capital of the Company (the "Shares") are issuable.
- Winner Global is a corporation controlled by Assure Gain directly.
- Assure Gain, a company beneficially and wholly owned by Ms LOH Jiah Yee, Katherine, is beneficially interested in 43.38% of the issued share capital of Winner Global.
- Corp Insights is a corporation controlled by Ms LOH Jiah Yee, Katherine indirectly.
- Ms LOH Jiah Yee, Katherine, is beneficially interested in 100% of the issued share capital of Assure Gain, 43.39% of the issued share capital of Winner Global and 50% of the issued share capital of Corp Insights, and thus, Ms LOH Jiah Yee, Katherine is deemed to be interested in the Shares and the underlying Shares in respect of the convertible preference shares issued by the Company in which Assure Gain, Winner Global and Corp Insights are interested.

附註：

- 有關權益為根據本公司股東於二零零九年七月十三日舉行之股東特別大會上批准之可換股優先股份之條款發行之非上市實物結算可換股優先股份。於兌換可換股優先股份時，本公司股本中每股面值港幣0.0533元之普通股(「股份」)可予發行。
- Winner Global為Assure Gain直接控制之公司。
- 樂家宜女士實益全資擁有之公司Assure Gain實益擁有Winner Global已發行股本中43.38%。
- Corp Insights為樂家宜女士間接控制之公司。
- 樂家宜女士實益擁有Assure Gain全部已發行股本、Winner Global已發行股本中43.39%及Corp Insights已發行股本50%，故樂家宜女士被視為於股份及有關可換股優先股份之相關股份(當中Assure Gain、Winner Global及Corp Insights擁有權益)中擁有權益。

6. Mr LAU Jack, being the spouse of Ms LOH Jiah Yee, Katherine, is deemed to be interested in the same parcel of Shares in which Ms LOH Jiah Yee, Katherine is taken to be interested.
 7. Sun Finance is a corporation owned by Manvin Services Limited and Sino Harvest Investments Limited. Mr CHAU Cheok Wa, Ms Yeung So Mui and Mr CHEUNG Haywood are the ultimate beneficial owners of Sun Finance.
 8. New Premier is a corporation wholly owned by Ms LIM Ping Wai directly.
 9. Ms LIM Ping Wai is beneficially interested in 100% of the issued share capital of New Premier and thus, Ms LIM Ping Wai is deemed to be interested in the Shares and the underlying Shares in respect of the convertible preference shares issued by the Company in which New Premier is interested.
 10. Ample Pearl is a corporation wholly owned by Mr WONG Man Hin, Charles.
6. 廖家俊先生為樂家宜女士之配偶，被視為為樂家宜女士被當作擁有權益之同一批股份中擁有權益。
 7. 太陽財務為Manvin Services Limited及Sino Harvest Investments Limited擁有之公司。周焯華先生、楊素梅女士及張德熙先生為太陽財務之最終實益擁有人。
 8. New Premier為林萍惠女士全資擁有之公司。
 9. 林萍惠女士實益擁有New Premier全部已發行股本，故林萍惠女士被視為於股份及本公司就可換股優先股份發行之相關股份(當中New Premier擁有權益)中擁有權益。
 10. Ample Pearl為黃文軒先生全資擁有之公司。

Save as disclosed above, as at 31 March 2010, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文披露者外，於二零一零年三月三十一日，本公司並無獲悉任何其他人士(董事或本公司行政總裁除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露之權益或淡倉，或記錄於本公司根據證券及期貨條例第336條須存置登記冊之權益或淡倉。

DIRECTORS' RIGHT TO ACQUIRE SECURITIES

Save as disclosed in the heading "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above, at no time during the period was the Company, or any of its subsidiaries a party to any arrangements would enable a director or chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the directors or their spouses or their children under the age of 18 had any right to subscribe for the securities of the Company or had exercised any such rights.

董事購買證券之權利

除上文「董事及行政總裁於股份及相關股份之權益及淡倉」一節所披露外，於本期間任何時間，本公司或其任何附屬公司概無訂立任何安排，致使本公司董事或行政總裁可藉收購本公司或任何其他法團之股份或債券而獲益，且董事或彼等之配偶或彼等未滿18歲之子女概無擁有任何認購本公司證券之權利或已行使任何該等權利。

SHARE OPTION SCHEME

A share option scheme was adopted by the shareholders of the Company on 9 September 2002 (the “Old Option Scheme”). Pursuant to the Share Option Scheme, the Company may grant options to the Company’s directors and other employees of the Group to provide incentives or rewards for their contribution to the success of the Group’s operation.

At the special annual general meeting held on 27 November 2009, the Old Option Scheme was terminated and a new share option scheme (the “New Option Scheme”) was adopted. Details of these two share option schemes are summarised as below.

購股權計劃

本公司之股東於二零零二年九月九日採納購股權計劃(「舊購股權計劃」)。根據購股權計劃，本公司可向本公司之董事及本集團之其他僱員授出購股權，以鼓勵或回報彼等為本集團之成功營運作出之貢獻。

本公司於二零零九年十一月二十七日舉行之股東特別週年大會終止舊購股權計劃，並採納新購股權計劃(「新購股權計劃」)。該兩項購股權計劃之詳情概述如下。

New Option Scheme

新購股權計劃

(a) *Purpose*
目的

The principal purposes are to recruit and retain high calibre Eligible Participants (as defined below) and attract human resources that are valuable to the Group or any entity in which any member of the Group holds an equity interest (“Invested Entity” or “Invested Entities”), to recognise the significant contributions of the Eligible Participants to the growth of the Group or Invested Entities by rewarding them with opportunities to obtain ownership interest in the Company and to further motivate and give incentives to these Eligible Participants to continue to contribute to the long term success and prosperity of the Group or Invested Entities.

主要目的為就本集團或本集團任何成員公司持有其股本權益之實體(「受投資實體」)招聘及留聘優秀之合資格參與者(定義見下文)及吸引寶貴人力資源，就合資格參與者對本集團或受投資實體發展之重大貢獻給予肯定，讓彼等有機會獲得本公司所有權權益，並進一步鼓勵及激勵該等合資格參與者為本集團或受投資實體之長期成功及長遠發展繼續作出貢獻。

Old Option Scheme

舊購股權計劃

The purpose is to provide incentives and rewards to eligible participants who contribute to the success of the Group’s operations.

目的為鼓勵及獎勵合資格參與者為本集團業務成功作出貢獻。

	New Option Scheme 新購股權計劃	Old Option Scheme 舊購股權計劃
(b) <i>Eligible Participants</i> 合資格參與者	<p>Any employee (whether full time or part time), senior executive or officer, manager, director (including executive, non-executive and independent non-executive director) or consultant of any members of the Group any customer, supplier of goods and services to any member of the Group or any Invested Entity who, in the sole discretion of the Board, have contributed or will contribute to the growth and development of the Group or any Invested Entity.</p> <p>董事會全權酌情認為已經或將會對本集團或任何受投資實體之成長及發展作出貢獻之本集團任何成員公司之任何僱員(不論全職或兼職)、高級行政人員或主管人員、經理、董事(包括執行、非執行及獨立非執行董事)或顧問、向本集團成員公司或受投資實體提供貨品及服務之供應商。</p>	<p>Eligible participants of the Old Option Scheme include the Company's directors and other employees of the Group.</p> <p>Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5,000,000 within any 12-month period, are subject to shareholders' approval in advance in a general meeting.</p> <p>舊購股權計劃之合資格參與者包括本公司董事及本集團其他僱員。</p> <p>向本公司董事、行政總裁或主要股東或彼等之任何聯繫人士授出購股權，須事先獲得獨立非執行董事批准。此外，倘於任何12個月期間授予本公司主要股東或獨立非執行董事或彼等之任何聯繫人士之任何購股權超逾本公司任何時間已發行股份之0.1%或總值(根據授出購股權當日本公司股份價格計算)超逾港幣5,000,000元，則須事先在股東大會獲股東批准。</p>
(c) <i>Maximum number of shares available for issue</i> 可供發行股份數目上限	<p>The total number of shares of the Company available for issue under the New Option Scheme is 96,122,349 shares which represent 3.09% of the issued share capital of the Company as at the date of this annual report.</p> <p>於本年報日期，本公司按照新購股權計劃可供發行股份總數為96,122,349股，相當於本公司已發行股本3.09%。</p>	<p>The maximum number of unexercised share options currently permitted to be granted under the Old Option Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue as at the date of passing the Ordinary Resolution on 31 August 2007. The Old Option Scheme has been terminated on 27 November 2009.</p> <p>現時獲准根據舊購股權計劃授出之未獲行使購股權數目上限，獲行使後相當於普通決議案獲通過日期二零零七年八月三十一日之本公司已發行股份之10%。舊購股權計劃已於二零零九年十一月二十七日終止。</p>

	New Option Scheme 新購股權計劃	Old Option Scheme 舊購股權計劃
<p>(d) <i>Maximum entitlement of each Eligible Participants</i></p> <p>各合資格參與者之權益上限</p>	<p>The total number of shares of the Company issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-month period to:</p> <p>於任何12個月期間授出之購股權(不論已行使或尚未行使)獲行使時向下列人士已發行及將予發行之本公司股份總數不得超過以下限額：</p> <p>(i) each Eligible Participants must not exceed 1% of the shares of the Company in issue;</p> <p>向每名合資格參與者授出之有關總數不得超過本公司已發行股份之1%；</p> <p>(ii) a substantial shareholder or an Independent Non-executive Director of the Company must not exceed 0.1% of the shares of the Company in issue and not exceed HK\$5 million in aggregate value.</p> <p>向本公司主要股東或獨立非執行董事授出之有關總數不得超過本公司已發行股份之0.1%，總值亦不得超過港幣5,000,000元。</p>	<p>The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time.</p> <p>於任何12個月期間內向計劃項下每名合資格參與者授出之購股權可發行之股份數目上限為本公司任何時間已發行股份之1%。</p>
<p>(e) <i>Period within which the shares must be taken up under an option</i></p> <p>必須根據購股權承購股份之期間</p>	<p>An option must be exercised within 10 years from the date on which it is granted or such shorter period as the Board may specify at the time of grant.</p> <p>購股權必須自其授出當日起10年內或董事會於授出有關購股權時可能訂明之較短期間行使。</p>	<p>The Scheme became effective on 9 September 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.</p> <p>計劃自二零零二年九月九日起生效，除非經另行取消或修訂，否則計劃將自該日起計10年內有效。</p>
<p>(f) <i>Minimum period, if any, for which an option must be held</i></p> <p>必須持有購股權之最短期間(如有)</p>	<p>No minimum period for which the option has to be held before it can be exercised is specified in the New Option Scheme.</p> <p>新購股權計劃中概無指定行使前須持有購股權之最短期間。</p>	<p>N/A</p> <p>不適用</p>

	New Option Scheme 新購股權計劃	Old Option Scheme 舊購股權計劃
<p>(g) <i>Period open for acceptance of an option and amount payable upon acceptance</i></p> <p>購股權可供接納期間及於接納時應付之款項</p>	<p>An offer of grant of an Option may be accepted by an Eligible Participant within 28 days from the date of the offer of grant of the Option. A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an Option.</p> <p>合資格參與者可自購股權授出建議日期起28日內接納購股權授出建議。接納購股權授出建議時須支付代價港幣1.00元。</p>	<p>The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1.00 in total by the grantee. The exercise period of the share options granted is determinable by the directors, in accordance with the terms of the Scheme, and commences from the date of acceptance of the offer of grant of the share options and ends on a date which is not later than 10 years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.</p> <p>購股權之授出建議自建議日期起28日內，於承授人支付象徵代價合共港幣1.00元後可供接納。所授出購股權之行使期可由董事按照計劃條款釐訂，行使期自接納購股權授出建議當日開始，最遲於購股權建議日期起滿10年之時或計劃到期日（以較早者為準）屆滿。</p>
<p>(h) <i>Basis of determining the subscription price of an option</i></p> <p>釐訂購股權認購價之基準</p>	<p>The exercise price must be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.</p> <p>行使價最少須為以下各項之最高者：(i)股份於授出日期在聯交所每日報價表所列收市價；(ii)股份緊接授出日期前五個營業日在聯交所每日報價表所列平均收市價；及(iii)股份面值。</p>	<p>The exercise price of the options is determined by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer, and (iii) the nominal value of the Company's shares.</p> <p>行使價由董事釐訂，不得低於以下各項之最高者：(i)本公司股份於購股權授出日期於聯交所之收市價；及(ii)本公司股份緊接授出日期前五個交易日在聯交所之平均收市價；及(iii)本公司股份面值。</p>
<p>(i) <i>Remaining life</i></p> <p>剩餘年期</p>	<p>The New Option Scheme has a life of 10 years and will expire on 27 November 2019 unless otherwise terminated in accordance with the terms of the New Option Scheme.</p> <p>除根據新購股權計劃條款另行終止外，新購股權計劃為期10年，至二零一九年十一月二十七日期。</p>	<p>The directors shall be entitled at any time within 10 years commencing on 9 September 2002 to offer the grant of an option to any eligible participants.</p> <p>董事可於二零零二年九月九日起計10年內任何時間向任何合資格參與者提出授予購股權之建議。</p>

No options were granted, exercised, cancelled or lapsed under the Old Option Scheme during the year and up to the date of termination on 27 November 2009.

本年度至終止日期二零零九年十一月二十七日止，並無購股權根據舊購股權計劃獲授出、行使、註銷或失效。

Report of Directors

董事會報告

As at 31 March 2010, details of the share options granted under the New Option Scheme and the outstanding are as follows:

於二零一零年三月三十一日，根據新購股權計劃授出且未獲行使之購股權詳情如下：

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Cancelled/ Lapsed 已註銷/ 失效	Outstanding at 31 March 2010 於二零一零年 三月三十一日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2009 於二零零九年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Outstanding at 1 April 2009					
LEUNG Chau Ping, Paul 梁秋平	Personal 個人	-	6,807,236	-	-	6,807,236	13 January 2010 二零一零年 一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
	Personal 個人	-	6,807,237	-	-	6,807,237	13 January 2010 二零一零年 一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
	Personal 個人	-	6,807,237	-	-	6,807,237	13 January 2010 二零一零年 一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
CHIU Raymond Yim 趙炎仁	Personal 個人	-	1,701,809	-	-	1,701,809	13 January 2010 二零一零年 一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
	Personal 個人	-	1,701,809	-	-	1,701,809	13 January 2010 二零一零年 一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
	Personal 個人	-	1,701,809	-	-	1,701,809	13 January 2010 二零一零年 一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	

Report of Directors

董事會報告

永保林業控股有限公司 二零零九/二零一零年年報

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目					Outstanding at 31 March 2010 於二零一零年 三月三十一日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2009 於二零零九年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Cancelled/ Lapsed 已註銷/ 失效					
Leandro Dos Martires GUERRA	Personal 個人	-	1,701,809	-	-	1,701,809	13 January 2010 二零一零年 一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
	Personal 個人	-	1,701,809	-	-	1,701,809	13 January 2010 二零一零年 一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
	Personal 個人	-	1,701,809	-	-	1,701,809	13 January 2010 二零一零年 一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
Mr John Tewksbury BANIGAN	Personal 個人	-	680,723	-	-	680,723	13 January 2010 二零一零年 一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
	Personal 個人	-	680,724	-	-	680,724	13 January 2010 二零一零年 一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	
	Personal 個人	-	680,724	-	-	680,724	13 January 2010 二零一零年 一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元	

Report of Directors

董事會報告

Sustainable Forest Holdings Limited Annual Report 2009/10

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目					Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)		
		Outstanding at 1 April 2009 於二零零九年 四月一日 尚未行使		Granted 已授出	Exercised 已行使	Cancelled/ Lapsed 已註銷/ 失效				Outstanding at 31 March 2010 於二零一零年 三月三十一日 尚未行使	
		-	7,525,396							-	-
Employees 僱員	Personal 個人	-	7,525,396	-	-	7,525,396	13 January 2010 二零一零年 一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元		
	Personal 個人	-	7,525,396	-	-	7,525,396	13 January 2010 二零一零年 一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元		
	Personal 個人	-	7,525,397	-	-	7,525,397	13 January 2010 二零一零年 一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日 至二零一零九年 十一月二十七日	HK\$0.94 港幣0.94元		
Total 總計		-	55,250,924	-	-	55,250,924					

MANAGEMENT CONTRACT

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the Group's five largest customers accounted for approximately 94.1% of the total sales for the year and sales to the largest customer included therein amounted to 90.1%. Purchases from the Group's five largest suppliers accounted for approximately 80.53% of the total purchases for the year and purchases from the largest supplier amounted to 21.94%.

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and five largest suppliers.

管理合約

年內，概無就本公司全部或任何絕大部分業務之管理及行政事務訂立或訂有任何合約。

主要客戶及供應商

年內，本集團五大客戶之銷售額佔年內總銷售額約94.1%，其中最大客戶之銷售額佔年內總銷售額90.1%。自本集團五大供應商之採購額佔年內總採購額約80.53%，其中最大供應商之採購額佔年內總採購額21.94%。

本公司董事或彼等之任何聯繫人士或就董事所深知擁有本公司已發行股本超過5%之任何股東，概無於本集團五大客戶及五大供應商中擁有任何實益權益。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

SUBSEQUENT EVENTS

The subsequent events are set out on note 49 to the consolidated financial statements.

AUDITOR

The consolidated financial statements for the years ended 31 March 2007 to 2009 was audited by Messrs. CCIF CPA Limited.

Due to the merger of business between Messrs. CCIF CPA Limited and PCP CPA Limited, Messrs. CCIF CPA Limited resigned as auditor of the Company with effect from 25 March 2010. Following the resignation of CCIF CPA Limited, Crowe Horwath (HK) CPA Limited was appointed as the auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company.

The consolidated financial statements for the year ended 31 March 2010 have been audited by Crowe Horwath (HK) CPA Limited who retire and, being eligible, offer itself for reappointment at the forthcoming annual general meeting of the Company.

On Behalf of the Board

Leung Chau Ping, Paul

Executive Director and Chief Executive Officer

Hong Kong, 26 July 2010

足夠之公眾持股量

根據本公司可取得之公開資料以及就董事所知，本報告日期，本公司一直維持上市規則所規定足夠之公眾持股量超過本公司已發行股份25%之水平。

結算日後事項

結算日後事項載於綜合財務報告附註49。

核數師

截至二零零七年至二零零九年三月三十一日止年度之綜合財務報告由陳葉馮會計師事務所有限公司審核。

由於陳葉馮會計師事務所有限公司與華德匡成會計師事務所有限公司進行業務合併，故陳葉馮會計師事務所有限公司自二零一零年三月二十五日起已辭任本公司核數師。陳葉馮會計師事務所有限公司辭任後，國富浩華(香港)會計師事務所有限公司獲委任為本公司核數師，直至本公司下屆股東週年大會結束為止。

截至二零一零年三月三十一日止年度之綜合財務報告已由國富浩華(香港)會計師事務所有限公司審核。國富浩華(香港)會計師事務所有限公司將任滿告退，惟符合資格並表示願意於應屆本公司股東週年大會接受續聘。

代表董事會

執行董事兼行政總裁

梁秋平

香港，二零一零年七月二十六日

Biographical Details of Directors and Senior Management

董事及高層管理人員簡歷

Sustainable Forest Holdings Limited Annual Report 2009/10

DIRECTORS

Executive Directors

Mr LEUNG Chau Ping, Paul (Chief Executive Officer)

Mr LEUNG Chau Ping, Paul, aged 52, has been appointed as Executive Director and Chief Executive Officer of the Company since 21 August 2009. He is also a member of the Remuneration Committee and the Executive Committee of the Board of the Company. He joined the Group on 1 August 2009. Mr LEUNG graduated from University of Technology, Sydney with a Master's degree in Business Administration. Mr LEUNG is a fellow member of Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. Mr LEUNG has over 28 years of experience in the Australian and Asian internet, telecommunications, computer, and commercial industries with a broad range of expertise including financial and strategic planning, management, and business development of new opportunities. Mr LEUNG is also a director of several subsidiaries of the Group and a director of Winner Global Holdings Limited, the substantial shareholder of the Company.

Mr CHIU Raymond Yim (Chief Information Officer)

Mr CHIU Raymond Yim, aged 59, has been appointed as Executive Director of the Company since 23 November 2009. He is also a member of the Executive Committee of the Board of the Company and the Chief Information Officer of the Group. He joined the Group on 1 August 2009. Mr CHIU holds a bachelor degree in Electronics Engineering Technology from the California Polytechnics State University and an MBA degree from the Pepperdine University. He has over 30 years' experience in the technology industry. His experience ranges from product development, operational management, business development, sales and marketing to venture investments.

Mr Leandro Dos Martires GUERRA (Chief Operating Officer)

Mr Leandro Dos Martires GUERRA, aged 42, has been appointed as Executive Director of the Company since 20 January 2010. He is also a member of the Executive Committee of the Board and the Chief Operating Officer of the Company and President of the Group's Brazilian operation. He joined the Group on 1 August 2009. Mr GUERRA graduated from University of Amazonia with a degree in Law and post-graduate degree in Environmental Law. He has 15 years' experience in the forestry and timber industry and has been involved in all facets of the timber industry including Sustainable Forest Management implementation, FSC certification, carbon credit certification and trading, harvesting, production, sales and marketing. Prior to joining the Group, Mr GUERRA was the President of Precious Woods (one of the largest Swiss based forestry and timber companies listed in Switzerland with more than 2,000 employees) operations in Brazil. Mr GUERRA's family has been in the Brazilian timber industry for three generations and prior to Precious Woods, he managed his family timber business which was later sold to Precious Woods. He was also the Director President of Produtos Florestais Certificados na Amazonia, a trade organization comprises of owners of FSC certified forests or chain-of-custody processing facilities. Mr GUERRA is also the manager and administrator of a subsidiary of the Company.

董事

執行董事

梁秋平先生(行政總裁)

梁秋平先生，52歲，自二零零九年八月二十一日起獲委任為本公司執行董事兼行政總裁。彼亦為本公司薪酬委員會及董事會執行委員會成員。彼於二零零九年八月一日加入本集團。梁先生畢業於悉尼科技大學(University of Technology, Sydney)，獲工商管理碩士學位。梁先生為香港會計師公會資深會員及澳洲會計師公會會員。梁先生於澳洲及亞洲之互聯網、電訊、電腦及商界積逾28年經驗，具備財務及策略規劃、管理及新商機開拓等多方面之專業知識。梁先生現時亦為本集團多家附屬公司之董事，並為本公司主要股東 Winner Global Holdings Limited之董事。

趙炎仁先生(資訊科技總裁)

趙炎仁先生，59歲，自二零零九年十一月二十三日起獲委任為本公司執行董事。彼亦為本公司董事會執行委員會成員兼本集團資訊科技總監。彼於二零零九年八月一日加入本集團。趙先生持有 California Polytechnics State University 電子工程科技學士學位及佩柏戴恩大學(Pepperdine University)工商管理碩士學位。彼於科技行業擁有逾30年經驗。彼之經驗涵蓋產品開發、營運管理、業務發展、銷售及市場推廣以至創業投資。

Leandro Dos Martires GUERRA先生(首席營運總監)

Leandro Dos Martires GUERRA先生，42歲，自二零一零年一月二十日起獲委任為本公司執行董事。彼亦為本公司董事會執行委員會成員兼首席營運總監，以及本集團巴西業務之總裁。彼於二零零九年八月一日加入本集團。GUERRA先生畢業於University of Amazonia，持有法律學士學位及環保法律碩士學位。彼於林業及木材行業擁有15年經驗，參與木材行業各個運作層面，包括執行可持續森林管理、FSC認證、碳排放額認證及貿易、砍伐、生產、銷售及推廣。在加入本集團前，GUERRA先生曾出任Precious Woods(是其中一家於瑞士上市之最大瑞士林業及木材公司，擁有逾2,000名員工)在巴西業務之總裁。GUERRA先生家族三代均於巴西從事木材行業。在加入Precious Woods前，彼負責管理其家族木材業務，有關業務其後售予Precious Woods。彼亦曾任Produtos Florestais Certificados na Amazonia之總裁，該公司是一家由擁有FSC認證之森林或產銷監管鏈認證之加工設施人士組成之貿易機構。GUERRA先生亦為本公司附屬公司之經理兼管理人。

Biographical Details of Directors and Senior Management

董事及高層管理人員簡歷

永保林業控股有限公司 二零零九／二零一零年年報

Independent Non-executive Directors

Mr LEUNG Siu Hung, Joel

Mr LEUNG Siu Hung, Joel, aged 46, has been appointed as Independent Non-executive Director of the Company since 21 August 2009. He is also a member of the Audit Committee and Remuneration Committee of the Company. Mr LEUNG graduated from the University of London and University of Hong Kong and Chinese University of Hong Kong with a Bachelor's degree in Economics & Accounting, Master's degrees in Urban Planning and Chinese Business Law. Mr LEUNG is a Royal Chartered Town Planner, Fellow of American Academy of Financial Management, Chartered Risk Analyst, Chartered Asset Manager, Chartered Trust & Estate Planner, Registered Financial Consultant and Certified Accounting Technician. He is also serving as Senior Town Planner in the China City Development Institute. Mr LEUNG has over 10 years of professional experience in law enforcement agencies, such as Royal Hong Kong Police, Correctional Services Dept, and Equal Opportunities Commission where he was mainly responsible for investigation and operational work. Mr LEUNG is currently the Principal Financial Planner and Financial Planning Director of the Prudential Assurance Co Ltd, a company listed on the Main Board of the London, New York, Hong Kong and Singapore Stock Exchanges. Mr LEUNG was as director of Intra Asia Entertainment Corp, a OTCBB company listed in the United States of America, from which he resigned in 2007.

Mr CHU Kin Wang, Peleus

Mr CHU Kin Wang, Peleus, aged 45, has been appointed as Independent Non-executive Director of the Company since 31 January 2008. He is also the chairman of the Audit Committee and a member of Remuneration Committee of the Company. Mr CHU has over 20 years of experience in corporate finance, audit, accounting and taxation. Mr CHU is the company secretary of Hong Long Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 1383), responsible for corporate finance, financial reporting and compliance and company secretarial matters. Mr CHU is also an executive director of Chinese People Holdings Company Limited (中民控股有限公司) (stock code: 681), and an independent non-executive director of Eyang Holdings (Group) Co., Limited (宇陽控股(集團)有限公司) (stock code: 117), Flyke International Holdings Limited (stock code: 1998) and Huayu Expressway Group Limited (華昱高速集團有限公司) (stock code: 01823), all are companies listed on the Main Board of the Hong Kong Stock Exchange. During the period from September 2005 to March 2007, Mr CHU was the executive director of Mastermind Capital Limited (慧德投資有限公司), during the relevant period known as Haywood Investments Limited, a company listed on the Main Board of the Hong Kong Stock Exchange (stock code: 905). Mr CHU graduated from The University of Hong Kong with a Master Degree in Business Administration in 1998. Mr CHU is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr CHU is also an associate member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Company Secretaries.

獨立非執行董事

梁紹雄先生

梁紹雄先生，46歲，自二零零九年八月二十一日起獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會成員。梁先生畢業於倫敦大學、香港大學及香港中文大學，取得經濟及會計理學學士、城市規劃理學碩士及中國商業法法學碩士。梁先生為英國皇家特許城市規劃師、美國金融管理學院院士、特許風險分析師、特許資產管理師、特許信託及遺產策劃師、國際認證財務顧問師及持有會計技術員證書。彼亦為中國城市發展研究院高級城市規劃師。梁先生擁有超過10年服務於不同執法機關之專業經驗，計有皇家香港警察、懲教署及平等機會委員會，主要負責調查及行動工作。梁先生現為英國保誠保險有限公司之財務策劃師兼財務策劃主管(該公司為倫敦及紐約、香港以及新加坡證券交易所主板上市公司)。梁先生曾任Intra Asia Entertainment Corp之董事，其後於二零零七年辭任，該公司於美國場外櫃檯交易系統(OTCBB)上市。

朱健宏先生

朱健宏先生，45歲，自二零零八年一月三十一日起獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席及薪酬委員會成員。朱先生於企業財務、審核、會計及稅務方面擁有逾20年經驗。朱先生為鴻隆控股有限公司(一間於聯交所主板上市之公司)(股份代號：1383)之公司秘書，負責企業財務、財務申報及合規及公司秘書事宜。朱先生亦為中民控股有限公司(股份代號：681)之執行董事及宇陽控股(集團)有限公司(股份代號：117)、飛克國際有限公司(股份代號：1998)及華昱高速集團有限公司(股份代號：01823)之獨立非執行董事，該等公司均在香港聯交所主板上市。於二零零五年九月至二零零七年三月期間，朱先生為慧德投資有限公司(於有關期間稱希域投資有限公司，一間在香港聯交所主板上市之公司(股份代號：905))之執行董事。朱先生於一九九八年畢業於香港大學，獲頒工商管理碩士學位。朱先生為香港會計師公會及特許公認會計師公會資深會員，亦是英國特許秘書及管理人員公會及香港公司秘書公會會員。

Biographical Details of Directors and Senior Management

董事及高層管理人員簡歷

Sustainable Forest Holdings Limited Annual Report 2009/10

Mr John Tewksbury BANIGAN

Mr John Tewksbury BANIGAN, aged 60, has been appointed as Independent Non-executive Director of the Company since 23 November 2009. He is also a member of the Audit Committee and the Remuneration Committee of the Company. Mr BANIGAN graduated from the School of Foreign Service at Georgetown University with a Bachelor's degree in International Economics. Mr BANIGAN engages in international investment banking and corporate advisory services to private and public operating and fund management companies. He has had extensive senior management experience related to corporate and trade finance and investment banking operations in Asia, Latin America and the United States. Mr BANIGAN has managed mature financial services operations, formed start-up businesses and consummated foreign-based joint ventures. He currently serves as a director of the general partner of a real estate investment vehicle in the People's Republic of China ("China"). He is also a director of a China-region oriented hedge fund based in Hong Kong. He additionally is sole member of two companies which act as managing members of two affiliated Japanese hedge funds. The latter companies engage in investment management of long and short positions and equity derivatives, and securities and other financial instruments, respectively, in the Japanese market. Mr BANIGAN was senior vice president of HSBC, responsible for corporate and trade finance in the eastern United States of America ("U.S."). He earlier spent 15 years with Chemical Bank where he held diverse positions. He was the Hong Kong-based Regional Corporate Officer of China, Hong Kong and Taiwan, Mexico City-based Mexico Country Manager, and manager of the bank's U.S. West Coast-based Asian corporate and financial institution relationships from San Francisco. Earlier assignments included client management, business development, and risk management positions in New York.

John Tewksbury BANIGAN先生

John Tewksbury BANIGAN先生，60歲，自二零零九年十一月二十三日起獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會成員。BANIGAN先生於喬治城大學(Georgetown University)之駐外事務學院畢業，取得國際經濟學學士學位。BANIGAN先生從事國際投資銀行以及向私營及公營基金管理提供企業顧問服務。彼曾於亞洲、拉丁美洲及美國企業及貿易融資以及投資銀行業務擁有豐富高級管理經驗。BANIGAN先生曾管理優越金融服務業務，亦曾開創業務及成立外資合營企業。彼現為中華人民共和國(「中國」)一間房地產投資工具公司之合夥人。彼亦為以香港為基地之中華地區對沖基金之董事。此外，彼亦為管理兩個日本聯屬對沖基金之成員公司之唯一董事，而該等日本聯屬對沖基金分別於日本市場從事好倉、淡倉及股權衍生工具以及證券及其他金融工具投資管理業務。BANIGAN先生曾任滙豐銀行高級副總裁，負責美利堅合眾國(「美國」)東部之企業及貿易融資業務。彼早年曾於漢華銀行(Chemical Bank)任職15年，出任多個不同職位。彼曾出任以香港為基地之中國、香港及台灣地區企業部行政人員、以墨西哥城為基地之墨西哥國家經理以及該行以美國西岸為基地之三藩市亞洲企業及金融機構關係部經理。彼之早期職責包括於紐約擔任客務管理、業務發展及風險管理職位。

SENIOR MANAGEMENT

Ms FLETCHER Yurk Nam Sandy (Chief Financial Officer)

Ms FLETCHER Yurk Nam Sandy is the Chief Financial Officer of the Group. She has over 17 years of experience in financial and accounting matters including auditing, corporate finance and fund & asset management. She relocated to Ho Chi Minh City in 2006 and founded AMF to focus on real estate investment opportunities. Prior to founding AMF, she was the managing director of the Asia Pacific Office of an independent private asset management company with headquarters in New York, specializing in structured equity investments. She has worked 10 years in Deloitte Touche Tohmatsu in their audit practice in New York and subsequently their corporate finance practice in Hong Kong. She holds a Bachelor degree of Science from St. Johns University, USA and is a member of AICPA.

Mr Sergey A. SELEZNEV (President of Russian Operations)

Mr Sergey A. SELEZNEV is the President of Russian Operations. He has 18 years of experience in the Russian forestry industry and has been involved in all facets of the timber industry including harvesting, production, sales & marketing, and product development. He founded the Russian operation which was sold to the Group. He is responsible for the Group's forestry and processing operations in Russia. He has received a number of Entrepreneur of the Year awards for his diversified interests in hotel, construction, gaming, radio station and machine-tool business. He is a graduate of Chita State Technical University, served in the Soviet Army and a qualified mechanical engineer.

Mr David C. SHIH (President of China Operations)

Mr David C. SHIH is the President of China Operations. A forest engineer by training, Mr. SHIH has over 26 years of experience in the forestry industry including harvesting, processing, production and sales and marketing of timber products in China, Taiwan and Indonesia. He is responsible for the Group's overall processing operations and integration in Russia and China. He was a graduate of National Taiwan Chung-Xin University.

Mr Francisco MACEDO (Senior Executive Vice President of Brazil operations & Head of Rondonia operations)

Mr Francisco MACEDO is the Senior Executive Vice President of Brazil & Head of Rondonia operations. He has over 30 years of professional experience ranging from corporate restructuring, financial and accounting management, as well as legal management in timber and other sector. Mr MACEDO held different senior positions including executive consultant at M&C Consult and Chief Business Officer at Saint Gobain Business Group, a large French multinational industrial group, in Paris. Mr MACEDO also served as the chairman of the Timber Industries Union (PA).

高層管理人員

姜若男小姐(財務總監)

姜若男小姐為本集團財務總監，於核數、企業融資、基金與資產管理等方面之財務及會計事宜擁有逾17年經驗。彼於二零零六年移居胡志明市，並創立AMF，專注開拓房地產投資商機。在創立AMF前，彼為一間總部設於紐約專責股本投資之獨立私人資產管理公司亞太區辦事處董事總經理。彼曾先後在德勤•關黃陳方會計師行紐約審計部及香港企業融資部工作10年。彼持有美國聖約翰大學(St. Johns University)理學學士學位，亦為美國會計師公會(AICPA)會員。

Sergey A. SELEZNEV先生(俄羅斯業務總裁)

Sergey A. SELEZNEV先生為俄羅斯業務總裁，於俄羅斯林業行業擁有18年經驗，參與木材行業各個運作層面，包括砍伐、生產、銷售及推廣以及產品開發。彼創辦之俄羅斯業務已售予本集團。彼負責本集團之俄羅斯林業及加工業務，而涉足酒店、建設、博彩、廣播電台及機械工具之廣泛業務範疇亦為其贏得多個年度最佳企業家獎(Entrepreneur of the Year)。彼畢業於Chita State Technical University，曾於蘇聯軍隊(Soviet Army)服役，並為合資格機械工程師。

施秋先生(中國業務總裁)

施秋先生為中國業務總裁及實習森林工程師。施先生於林業擁有逾26年經驗，包括於中國、台灣及印尼砍伐、加工、生產、銷售及推廣木材產品。彼負責本集團之俄羅斯及中國整體加工業務及整合。彼畢業於台灣國立中興大學。

Francisco MACEDO先生(於巴西業務之高級行政副總裁兼朗多尼亞業務主管)

Francisco MACEDO先生為本公司於巴西業務之高級行政副總裁兼朗多尼亞業務主管。彼於木材及其他行業之企業重組、財務及會計管理以及法律管理方面積逾30年專業經驗，MACEDO先生曾擔任不同高級職位，包括於M&C Consult擔任行政顧問及於巴黎出任一家大型法國跨國工業集團(Saint Gobain Business Group)之業務總監。MACEDO先生亦曾擔任木材工會(PA)(Timber Industries Union (PA))主席。

CORPORATE GOVERNANCE PRACTICES

In order to maintain high standards of corporate governance, the Company has adopted and complied with the code provisions set out in the Code on Corporate Governance Practices (the "Code Provisions") as set out in Appendix 14 of the Listing Rules throughout the financial year ended 31 March 2010 except for certain deviations which are mentioned below.

The Company periodically reviews its corporate governance practices to ensure that these continue to meet the requirements of the Code.

The BOARD OF DIRECTORS

Board Composition

As at 31 March 2010, the Board comprised three Executive Directors and three Independent Non-executive Directors. Three Independent Non-executive Directors have the appropriate professional accounting qualifications and financial management experience and expertise. There is no relationship between members of the Board. The brief biographical details of each director are set out in the Biographical Details of Directors and Senior Management on pages 32 to 35 of this annual report. Each Director possesses expertise and experience and provides checks and balances for safeguarding the interests of the Group and the shareholders as a whole. The Company has during the year ended 31 March 2010 maintained a balanced board.

The Board is accountable to the shareholders for the development of the Group with the goal of maximizing long-term shareholders' value. The Board also takes the responsibility for the overall strategies and policies of the Group, approves and monitors the strategic plans, investment and funding decisions, and reviews the Group's financial and operational performance. The Group's day-to-day operations and administration of the Company are overseen by the Executive Directors and the senior management.

The Company has received from each of the Independent Non-executive Director a written confirmation of their independence and has satisfied itself of such independence up to the approval date of this Annual Report in accordance with the independence guidelines set out in the Listing Rules.

The Directors of the Company are fully insured under a directors' and officers' liability insurance policy for indemnification against costs, charges, losses, expenses and liabilities that may be incurred by them in the execution and discharge of their duties.

企業管治常規

為維持高水平之企業管治，本公司於截至二零一零年三月三十一日止財政年度已採納並一直遵守上市規則附錄十四企業管治常規守則（「守則條文」）所載守則條文，惟下文所述若干偏離情況則除外。

本公司定期檢討其企業管治常規，確保有關常規繼續符合守則規定。

董事會

董事會架構

於二零一零年三月三十一日，董事會由三名執行董事及三名獨立非執行董事組成。三名獨立非執行董事均具備適合專業會計資格以及財務管理經驗及專業知識。董事會成員彼此之間概無任何關係。各董事之簡歷載於本年報第32至35頁之「董事及高層管理人員簡歷」。各董事均擁有專業知識及經驗，提供檢查及權力平衡，以保障本集團及股東整體權益。本公司截至二零一零年三月三十一日止年度維持董事會之權力均衡。

董事會須就本集團發展向股東負責，從而為股東爭取長遠最大價值為目標。董事會亦負責制定本集團之整體策略及政策、批准及監管策略規劃、投資及融資決策，並檢討本集團之財務及營運表現。執行董事及高級管理層負責監督本集團日常運作及本公司之行政事務。

本公司已接獲各獨立非執行董事根據上市規則所載獨立指引發出之確認書，確認彼等截至本年報獲批准日期之獨立身分，而本公司信納彼等均為獨立人士。

本公司根據董事及高級人員責任保險政策為各董事悉數投保，以就彼等於執行及履行職責時可能產生之成本、支出、損失、開支及負債作出彌償保證。

Corporate Governance Report

企業管治報告

永保林業控股有限公司 二零零九/二零一零年年報

During the year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three Independent Non-executive Directors with at least one Independent Non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise. The independence of the Independent Non-executive Directors was assessed in accordance with the applicable Listing Rules. Each of the Independent Non-executive Directors has provided to the Company an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of them to be independent.

The Board conducts meetings on a regular basis and on an ad hoc basis. Notice of at least 14 days for the regular meetings and reasonable notice for non-regular meetings are given to all directors so that they can attend the meetings and include matters for discussion if necessary. Board members are provided with all agendas and adequate information for their review within reasonable time before the meetings. After the meeting, draft minutes are circulated to all directors for comments before confirmation. Minutes of board meetings and meetings of board committees are kept by the company secretary and are available for inspection by the director at all times. Each director is entitled to seek independent professional advice under appropriate circumstances at the expense of the Company.

During the year ended 31 March 2010, other than resolutions passed in writing by all the directors, the Board held 23 meetings. The attendance of each director as set out in the table below:-

年內，董事會一直符合上市規則之規定，委任最少三名獨立非執行董事，當中最少一名為具備相關專業資格或會計或相關財務管理專業知識之獨立非執行董事。本公司根據上市規則評估獨立非執行董事之獨立身分。各獨立非執行董事根據上市規則第3.13條向本公司發出獨立身分之年度確認。本公司認為，全體獨立非執行董事均為獨立人士。

董事會定期舉行會議，並會舉行臨時會議。全體董事均就定期會議獲發最少十四日之通知，另就非定期會議獲給予合理時間之通知，讓彼等可出席會議，並於有需要時加入討論事宜。董事會成員將於會議舉行前合理時間內，獲提供全部議程及足夠資料，以供彼等審閱。會議結束後，會議記錄初稿於落實前將發送予全體董事傳閱及提出意見。董事會會議記錄及董事委員會會議記錄均由公司秘書保存，可供董事隨時查閱。各董事有權於適當情況下尋求獨立專業意見，費用由本公司支付。

截至二零一零年三月三十一日止年度，除由全體董事以書面方式通過之決議案外，董事會曾舉行23次會議。各董事之出席情況載於下表：

		Number of meetings attended/held 所出席/舉行之會議數目			
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Executive Committee 執行委員會
Executive Directors		執行董事			
Mr LEUNG Chau Ping, Paul (appointed on 21 August 2009)	梁秋平先生 (於二零零九年八月二十一日獲委任)	12/23	N/A 不適用	N/A 不適用	24/31
Mr CHIU Raymond Yim (appointed on 23 November 2009)	趙炎仁先生 (於二零零九年十一月二十三日獲委任)	6/23	N/A 不適用	N/A 不適用	24/31
Mr Leandro Dos Martires GUERRA (appointed on 20 January 2010)	Leandro Dos Martires GUERRA先生 (於二零一零年一月二十日獲委任)	0/25	N/A 不適用	N/A 不適用	1/31
Mr TEOH Tean Chai, Anthony (resigned on 21 August 2009)	張展才先生 (於二零零九年八月二十一日辭任)	12/25	N/A 不適用	N/A 不適用	7/31
Ms CHUNG Oi Ling, Stella (resigned on 5 November 2009)	鍾愛玲女士 (於二零零九年十一月五日辭任)	13/25	N/A 不適用	N/A 不適用	7/31
Independent Non-executive Directors		獨立非執行董事			
Mr LEUNG Siu Hung, Joel (appointed on 21 August 2009)	梁紹雄先生 (於二零零九年八月二十一日獲委任)	10/25	1/2	1/1	N/A 不適用
Mr CHU Kin Wang, Peleus	朱健宏先生	21/25	2/2	1/1	N/A 不適用
Mr John Tewksbury BANIGAN (appointed on 23 November 2009)	John Tewksbury BANIGAN先生 (於二零零九年十一月二十三日獲委任)	4/25	1/2	1/1	N/A 不適用
Mr LO Chi Ho, William (resigned on 21 August 2009)	駱志浩先生 (於二零零九年八月二十一日辭任)	0/25	0/2	N/A 不適用	N/A 不適用
Ms LAU Wa Chun (resigned on 4 December 2009)	劉華珍女士 (於二零零九年十二月四日辭任)	12/25	1/2	N/A 不適用	N/A 不適用

Chairman and Chief Executive Officer

Under the Code Provision A.2.1., the roles of chairman and chief executive officer should be separated and performed by different individuals. The roles of the chairman and the chief executive officer of the Company are segregated and are clearly defined to ensure their respective independence, accountability and responsibilities. The chairman of the Company is responsible for the formulation of the Group's overall business development policies while the chief executive officer of the Company is responsible for the implementation of major decisions of the Board and overall management of the Group's businesses.

During the year the position of the chairman has not been appointed by the Board. The functions of the chairman of the Company were performed by Mr LEUNG Chau Ping, Paul, the Chief Executive Officer of the Company, with support from the other Executive Directors and senior management of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company, and has been effective in discharging its responsibilities satisfactorily and facilitating the Company's operation and business development. The Board will review the current situation from time to time and will make the necessary appointment if a candidate with suitable leadership, knowledge, skills and experience can be identified outside the Group.

Nomination, Appointment and Re-election of Directors

Under the Code Provision A.4.1, non-executive directors should be appointed for specific term and subject to re-election. According to the bye-laws of the Company, each director appointed to fill a casual vacancy shall be subject to re-election at the next following general meeting or until the next following annual general meeting in the case of an addition to the Board and shall then be eligible for re-election at such meeting. Moreover, one-third of the Directors (including the independent non-executive directors) shall retire from office by rotation at least once every three years. The rotating Directors who are subject to retirement and re-election at the 2010 annual general meeting are set out on page 18.

Board Committees

The Company has established three board committees, namely the Audit Committee, the Remuneration Committee and the Executive Committee, to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities. All Board committees have clear and specific written terms of reference and they report their work to the Board after each meeting.

The Company has not established a Nomination Committee at present as required by the code provision A4.4. According to the bye-laws of the Company, the Board is empowered to appoint any person as a director either to fill a casual vacancy or as an addition to the Board. The full Board is responsible for the selection and approval of candidates for appointment as directors to the Board taking into account their qualifications and professional experiences. The Board will evaluate regularly the need to appoint additional directors with appropriate professional knowledge and experience.

主席及行政總裁

根據守則條文A.2.1，主席及行政總裁之職責應有所區分，並由不同人士擔任。本公司設有主席及行政總裁兩個獨立職位，且已清楚界定兩者角色，以確保彼等各自之獨立身分、問責性與職責。本公司主席負責制訂本集團之整體業務發展政策，而本公司行政總裁則負責實行董事會作出之重要決策，以及整體管理本集團業務。

董事會於年內尚未委任主席一職。本公司主席之職責由本公司行政總裁梁秋平先生在本公司其他執行董事及高級管理層之協助下履行職責。董事會認為，此架構不會影響董事會與本公司管理層之權力及授權平衡，並可有效地履行其責任，促進本公司營運及業務發展。董事會將不時檢討現時狀況，倘於本集團以外能物色具備適當領導才能、知識、技能及經驗之人選，將作出所需委任。

董事之提名、委任及重選

根據守則條文A.4.1，非執行董事應按特定年期獲委任及重選。根據本公司之公司細則，凡為填補臨時空缺獲委任之每名董事均須於下屆股東大會重選連任；或如屬董事會新增成員，則彼之任期將直至下屆股東週年大會為止，其後將合資格於該大會上重選連任。此外，三分之一董事（包括獨立非執行董事）須至少每三年輪值退任一次。須於二零一零年股東週年大會退任及重選之輪值退任董事詳情載於第18頁。

董事委員會

本公司已設立審核委員會、薪酬委員會及執行委員會三個董事委員會，以監督本公司個別範疇之業務，並協助執行董事會履行職責。所有董事委員會已制訂清晰及具體之書面職權範圍，並於每次會議後向董事會匯報工作情況。

本公司現時並無按照守則條文A4.4規定成立提名委員會。根據本公司之公司細則，董事會獲賦予權力委任任何人士出任董事，以填補臨時空缺或作為董事會新增成員。董事會全體成員均負責委任董事人選加入董事會之甄選及批准工作，考慮有關人選之資格及專業經驗。董事會將定期評估是否需要額外委任具備適合專業知識及經驗之人士出任董事。

Audit Committee

As at the date of this report, the Audit Committee comprises three members, namely Mr LEUNG Siu Hung, Joel, Mr CHU Kin Wang, Peleus and Mr John Tewksbury BANIGAN and all of them are Independent Non-executive Directors. The primary duties of the Audit Committee are to review and supervise the Company's financial reporting and internal control systems. The Audit Committee also provides an important link between the Board and the Company's auditors in matters within the scope of the financial audit of the Group.

During the year, the Audit Committee held 2 meetings together with senior management and the external auditor. The attendance details of each member are set out on page 37. The Audit Committee has reviewed the accounting principles and practices adopted by the Group, reviewed the financial statements for the interim and final results for the year ended 31 March 2010 and discussed the internal controls together with the management.

Remuneration Committee

As at the date of this report, the Remuneration Committee comprised Mr LEUNG Chau Ping, Paul, Mr LEUNG Siu Hung, Joel, Mr CHU Kin Wang, Peleus and Mr John Tewksbury BANIGAN. The Remuneration Committee was established with specific written terms of reference to review and give recommendations to the Board on the remuneration policy of the directors and senior management. The remuneration of all the Directors and senior management is subject to regular monitoring by the Remuneration Committee. To determine the emoluments of Directors, the Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors. The Remuneration Committee ensures that no Director is involved in deciding his own remuneration. The attendance records of each member are set out on page 37. Details of the Directors' remuneration for the year under review are set out in note 11 to the consolidated financial statements.

Executive Committee

As at the date of this report, the Executive Committee comprised Mr LEUNG Chau Ping, Paul, Mr CHIU Raymond Yim and Mr Leandro Dos Martires GUERRA. The Executive Committee was established with specific written terms of reference to review and give recommendations to the Board on the daily operation of the Group from time to time. The attendance records of each member are set out on page 37.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries, all Directors confirmed that they have complied with the required standards set out in the Model Code during the year ended 31 March 2010.

審核委員會

於本報告日期，審核委員會由三名成員梁紹雄先生、朱健宏先生及John Tewksbury BANIGAN先生組成，彼等均為獨立非執行董事。審核委員會之主要職責為審閱及監督本公司之財務匯報及內部監控制度。審核委員會亦就本集團之財務審閱範疇所涉事宜為董事會與本公司核數師之間提供重要溝通橋樑。

年內，審核委員會曾與高級管理層及外聘核數師舉行兩次會議，各成員出席情況載於第37頁。審核委員會已審閱本集團所採納會計原則及慣例、審閱截至二零一零年三月三十一日止年度中期及全年業績之財務報告以及與管理層討論內部監控。

薪酬委員會

於本報告日期，薪酬委員會目前由梁秋平先生、梁紹雄先生、朱健宏先生及John Tewksbury BANIGAN先生組成。本公司已以書面訂明薪酬委員會之職權範圍，以檢討董事及高層管理人員之薪酬政策及就此向董事會發表推薦意見。於釐定董事之薪酬時，薪酬委員會考慮多項因素，例如可資比較公司之薪酬水平、董事所貢獻時間及其責任。薪酬委員會確保董事不會參與釐定自身薪酬之決定。各成員之出席記錄載於第37頁。董事於回顧年度之酬金詳情載於綜合財務報告附註11。

執行委員會

於本報告日期，執行委員會成員包括梁秋平先生、趙炎仁先生及Leandro Dos Martires GUERRA先生。本公司已以書面訂明執行委員會之職權範圍，以不時檢討本集團之日常運作，並就此向董事會發表推薦意見。各成員之出席記錄載於第37頁。

董事之證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為其本身董事進行證券交易之操守守則。向各董事作出特定查詢後，全體董事確認於截至二零一零年三月三十一日止年度一直遵守標準守則所載規定準則。

ACCOUNTABILITY AND AUDIT

Financial Reporting

The directors acknowledge their responsibility for the preparation and the true and fair presentation of the consolidated financial statements for the year ended 31 March 2010, in accordance with International Financial Reporting Standards ("IFRSs") and the applicable disclosure requirements of the Listing Rules.

Due to the merger of business between Messrs. CCIF CPA Limited and PCP CPA Limited, Messrs. CCIF CPA Limited resigned as auditor of the Company with effect from 25 March 2010. Following the resignation of CCIF CPA Limited, Crowe Horwath (HK) CPA Limited was appointed as the auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company.

The reporting responsibility of the external auditor of the Company on the consolidated financial statements of the Group are set out in the Independent Auditor's Report on pages 42 to 43 of this annual report.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 March 2010 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows. In preparing the financial statements, the Directors have adopted IFRs and suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis.

The statement of the Company's auditor about their reporting responsibilities on the financial statements of the Company is set out in the Independent Auditor's Report on pages 42 to 43.

Internal Control

The Board is responsible for maintaining a sound and effective system of internal control. The internal control system helps to ensure effective measures are in place to protect the Group's assets and maintain the accounting records and the compliance with relevant legislation and regulations.

During the financial year under review, the Board has reviewed operational and financial reports in order to ensure the effectiveness and adequacy of the system through the Audit Committee.

問責及審核

財務報告

董事確認彼等須負責根據國際財務報告準則(「國際財務報告準則」)及上市規則之適用披露規定編製及真實公平地呈列截至二零一零年三月三十一日止年度之綜合財務報告。

由於陳葉馮會計師事務所有限公司與華德匡成會計師事務所有限公司進行業務合併，故陳葉馮會計師事務所有限公司自二零一零年三月二十五日起已辭任本公司核數師。陳葉馮會計師事務所有限公司辭任後，國富浩華(香港)會計師事務所有限公司獲委任為本公司核數師，直至本公司下屆股東週年大會結束為止。

本公司外聘核數師就本集團綜合財務報告之申報責任載於本年報第42至43頁之獨立核數師報告。

董事對財務報告之責任

董事知悉彼等須負責編製截至二零一零年三月三十一日止年度財務報告，真實及公平地反映本公司及本集團之業務狀況以及本集團之業績及現金流量。編製財務報告時，董事已採納並持續應用國際財務報告準則及適當之會計政策，作出審慎、公平及合理之判斷及評估，並按持續經營基準編製財務報告。

本公司核數師就彼等對本公司財務報告之申報責任聲明載於第42至43頁之獨立核數師報告。

內部控制

董事會負責維持穩健及有效之內部監控制度。訂立內部監控制度有助確保實施有效措施，以保障本集團資產、保存會計記錄及遵守有關法例及規例。

於回顧財政年度內，董事會已透過審核委員會檢討營運及財務報告，以確保有關制度為有效及充分。

Auditor's Remuneration

For the year ended 31 March 2010, the fees in respect of audit and non-audit services provided to the Group by the external auditor amounted to approximately HK\$2,079,000 (2009: HK\$1,030,000) and HK\$653,000 (2009: HK\$1,405,000), respectively. The non-audit service fees mainly consisted of the fees in relation to very substantial disposal and acquisition of assets approximately HK\$2,968,000.

COMMUNICATION WITH SHAREHOLDERS

The Company endeavors to provide its shareholders accurate, clear, comprehensive and timely information of the Group via the publication of annual reports, interim reports, announcements and circulars as well as through the Company's website.

The annual general meeting is a useful forum for the Board to communicate directly with shareholders. The directors, senior executives and external auditor makes its best effort to attend the annual general meeting of the Company to answer any questions from shareholders. The Company has informed the shareholders in its circular convening a general meeting the procedures for and the rights of shareholders to demand a poll and the chairman of a meeting to explain the procedures for conducting a poll at the beginning of the general meeting.

核數師酬金

截至二零一零年三月三十一日止年度，外聘核數師向本集團所提供核數及非核數服務費用分別約為港幣2,079,000元(二零零九年：港幣1,030,000元)及港幣653,000元(二零零九年：港幣1,405,000元)。非核數服務費用主要包括有關非常重大出售及收購資產之費用約港幣2,968,000元。

與股東之溝通

本公司透過刊發年報、中期報告、公佈及通函以及透過本公司網站，致力向其股東提供準確、清晰、全面與適時之本集團資訊。

股東週年大會為董事會直接與股東溝通之有效平台。各董事、高級行政人員及外聘核數師均盡量出席本公司之股東週年大會，並解答股東任何提問。本公司已於召開股東大會之通函內告知各股東要求進行按股數投票表決之程序及權利，大會主席於大會開始前亦會說明要求進行按股數投票表決之程序。

Independent Auditor's Report

獨立核數師報告

Sustainable Forest Holdings Limited Annual Report 2009/10



國富浩華(香港)會計師事務所有限公司
Crowe Horwath (HK) CPA Limited
Member Crowe Horwath International

香港銅鑼灣希慎道33號利園34樓
34/F The Lee Gardens,
33 Hysan Avenue,
Causeway Bay, Hong Kong

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SUSTAINABLE FOREST HOLDINGS LIMITED (FORMERLY KNOWN AS BRIGHT PROSPEROUS HOLDINGS LIMITED) *(Incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Sustainable Forest Holdings Limited (the "Company") set out on pages 44 to 171, which comprise the consolidated and Company statements of financial position as at 31 March 2010 and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

獨立核數師報告 致永保林業控股有限公司 (前稱晉盈控股有限公司) (於百慕達註冊成立之有限公司) 列位股東

本核數師(以下簡稱「我們」)已審核永保林業控股有限公司(「貴公司」)載於第44頁至第171頁之綜合財務報告，包括於二零一零年三月三十一日之綜合及貴公司財務狀況表，及截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流轉表，以及主要會計政策概要及其他說明附註。

董事編製財務報告之責任

貴公司董事負責根據國際會計準則委員會頒佈之國際財務報告準則及香港公司條例之披露規定，編製及真實兼公平呈列此等財務報告。是項責任包括設計、實行及維持與編製及真實兼公平呈列財務報告有關之內部監控，以確保財務報告並無重大錯誤陳述(不論由於欺詐或錯誤引起)；選擇並應用適當會計政策；以及在有關情況作出合理之會計估計。

核數師之責任

我們之責任為根據審核結果就此等財務報告發表意見。根據百慕達一九八一年公司法第90條，本報告僅供閣下(作為一個整體)使用，且不可作其他用途。我們概不就本報告之內容，對任何其他人士負責及承擔法律責任。

我們之審核工作乃按照香港會計師公會頒佈之香港核數準則進行。該等準則要求我們遵守操守規定，並計劃及進行審核，以合理保證財務報告是否不存在重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

永保林業控股有限公司 二零零九／二零一零年年報

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2010 and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Crowe Horwath (HK) CPA Limited

Certified Public Accountants
Hong Kong, 26 July 2010

Alvin Yeung Sik Hung

Practising Certificate Number P05206

審核範圍包括實施有關程序以取得有關財務報告所載數額及披露事項之審核憑證。所選程序取決於核數師之判斷，包括對財務報告是否存在重大錯誤陳述風險（不論由於欺詐或錯誤引起）之評估。於作出有關風險評估時，核數師會考慮與實體編製及真實兼公平呈列財務報告有關之內部監控，以便在有關情況設計適當審核程序，惟並非就實體之內部監控是否有效發表意見。審核範圍亦包括評估所用會計政策是否恰當及董事所作會計估計是否合理，以及評估財務報告之整體呈列情況。

我們相信，我們已取得充分及適當審核憑證，可為我們之審核意見提供合理基準。

意見

我們認為，根據國際財務報告準則，綜合財務報告足以真實與公平地反映 貴公司及 貴集團於二零一零年三月三十一日之財務狀況及 貴集團於截至該日止年度之溢利及現金流轉，並已按照香港公司條例之披露規定妥善編製。

國富浩華(香港)會計師事務所有限公司

執業會計師
香港，二零一零年七月二十六日

楊錫鴻

執業證書號碼：P05206

Consolidated Income Statement

綜合收益表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

Sustainable Forest Holdings Limited Annual Report 2009/10

		Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
CONTINUING OPERATIONS	持續經營業務			
REVENUE	收入	7	263,063	–
Cost of sales	銷售成本		(144,197)	–
GROSS PROFIT	毛利		118,866	–
Other income	其他收入	8	4,089	1,491
Other net gain	其他收益淨額	8	233	–
Selling and distribution costs	銷售及分銷成本		(3,191)	–
Administrative expenses	行政支出		(42,760)	(15,409)
Other operating expenses	其他營運開支	9	(6,059)	(230)
Change in fair value of biological assets less estimated point-of-sale costs	生物資產公平值變動減 估計銷售點成本	21	369,980	–
Gain on extinguishment of convertible note	註銷可換股票據之收益	38	–	204,831
Gain on extinguishment of promissory note	註銷承付票據之收益	39	–	88,090
PROFIT FROM OPERATIONS	經營溢利	10	441,158	278,773
Finance income	融資收入		957	1,141
Finance costs	融資費用		(11,912)	(62,921)
Net finance costs	融資費用淨額	10(a)	(10,955)	(61,780)
PROFIT BEFORE TAXATION	除稅前溢利		430,203	216,993
Income tax	所得稅	13(a)	(132,833)	(16)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務之 年度溢利		297,370	216,977
DISCONTINUED OPERATIONS	已終止業務			
Loss for the year from discontinued operations	已終止業務之年度虧損	14	(23,027)	(249,717)
PROFIT/(LOSS) FOR THE YEAR	年度溢利/(虧損)		274,343	(32,740)
ATTRIBUTABLE TO:	應佔：			
Owners of the Company	本公司擁有人		273,303	(12,707)
Non-controlling interests	非控制權益		1,040	(20,033)
			274,343	(32,740)
Earnings/(loss) per share	每股盈利/(虧損)			
From continuing and discontinued operations	持續經營業務及已終止業務	17		
– Basic	– 基本		19.64 cents 仙	(2.53) cents仙
– Diluted	– 攤薄		6.60 cents 仙	(2.53) cents仙
From continuing operations	持續經營業務	17		
– Basic	– 基本		21.37 cents 仙	43.19 cents仙
– Diluted	– 攤薄		7.18 cents 仙	43.12 cents仙

The notes on pages 53 to 171 form part of these consolidated financial statements.

第53頁至第171頁之附註構成此等綜合財務報告之一部分。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

永保林業控股有限公司 二零零九／二零一零年年報

		Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
Profit/(loss) for the year	年度溢利／(虧損)		274,343	(32,740)
Other comprehensive (loss)/ income	其他全面(虧損)／收益			
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告產生之匯兌差額	43	792	486
Reclassification adjustment for exchange difference relating to disposal of overseas subsidiaries	有關出售海外附屬公司之匯兌差額之重新分類調整	45	(3,185)	—
Gain on revaluation of buildings	樓宇重估收益	18	—	52
			(2,393)	538
Income tax relating to components of other comprehensive income	有關其他全面收益組成部分之所得稅	13(c)	—	—
Other comprehensive (loss)/ income for the year, net of tax	年內其他全面(虧損)／收益，扣除稅項		(2,393)	538
Total comprehensive income/(loss) for the year	年內全面收入／(虧損)總額		271,950	(32,202)
Total comprehensive income/(loss) attributable to:	以下人士應佔全面收入／(虧損)總額：			
Owners of the Company	本公司擁有人		270,898	(12,363)
Non-controlling interests	非控制權益		1,052	(19,839)
			271,950	(32,202)

The notes on pages 53 to 171 form part of these consolidated financial statements.

第53頁至第171頁之附註構成此等綜合財務報告之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2010 於二零一零年三月三十一日

Sustainable Forest Holdings Limited Annual Report 2009/10

		Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	201,293	1,736
Interests in leasehold land held for own use under operating leases	根據經營租約持有作自用 之租約土地權益	19	-	-
Intangible assets	無形資產	20	-	-
Biological assets	生物資產	21	833,323	-
Goodwill	商譽	22	1,686,883	-
Deposit for acquisition of subsidiaries	收購附屬公司之訂金	24	-	15,500
Deposit for purchase of property, plant and equipment	收購物業、廠房及設備 之訂金	25	9,541	-
			2,731,040	17,236
CURRENT ASSETS	流動資產			
Inventories	存貨	26	253,050	11,576
Trade and other receivables	應收貿易款項及其他應收款項	27	14,290	50,728
Tax recoverable	可退回稅項		-	299
Pledged bank deposits	已抵押銀行存款	29	-	50,500
Cash and cash equivalents	現金及現金等價物	29	36,820	64,438
			304,160	177,541
Assets classified as held for sale	分類為持作待售資產	30	303,036	43,183
			607,196	220,724
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易款項及其他應付款項	31	125,059	26,404
Bank loans and overdrafts	銀行貸款及透支	32	209	16,306
Consideration payables	應付代價	33	93,933	-
Provision for taxation	稅項撥備		7,354	1,077
Promissory notes	承付票據	39	24,617	-
			251,172	43,787
Liabilities associated with assets classified as held for sale	與分類為持作待售資產 有關之負債	30	98,923	13,831
			350,095	57,618
NET CURRENT ASSETS	流動資產淨值		257,101	163,106
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		2,988,141	180,342

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2010 於二零一零年三月三十一日

永保林業控股有限公司 二零零九／二零一零年報

		Note	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
		附註		
NON-CURRENT LIABILITIES	非流動負債			
Bank loans	銀行貸款	32	297	–
Amounts due to shareholders	應付股東款項	36	117,936	–
Amounts due to related companies	應付關連公司款項	37	54,091	–
Deferred tax liabilities	遞延稅項負債	35	309,187	–
Convertible note	可換股票據	38	–	–
			481,511	–
NET ASSETS	資產淨值		2,506,630	180,342
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	40	322,855	21,511
Reserves	儲備	43(a)	2,183,713	144,717
Total equity attributable to the owners of the Company	本公司擁有人應佔總權益		2,506,568	166,228
Non-controlling interests	非控制權益	43(a)	62	14,114
TOTAL EQUITY	總權益		2,506,630	180,342

Approved and authorised for issue by the board of directors on 26 July 2010.

由董事會於二零一零年七月二十六日批准及授權刊行。

On behalf of the board
代表董事會

LEUNG Chau Ping, Paul 梁秋平
Director 董事

CHIU Raymond Yim 趙炎仁
Director 董事

The notes on pages 53 to 171 form part of these consolidated financial statements.

第53頁至第171頁之附註構成此等綜合財務報告之一部分。

Statement of Financial Position

財務狀況表

At 31 March 2010 於二零一零年三月三十一日

Sustainable Forest Holdings Limited Annual Report 2009/10

		Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	1,011	1,545
Interest in subsidiaries	附屬公司權益	23	2,201,098	34,544
			2,202,109	36,089
CURRENT ASSETS	流動資產			
Trade and other receivables	應收貿易款項及其他應收款項	27	1,162	1,029
Pledged bank deposits	已抵押銀行存款	29	–	50,500
Cash and cash equivalents	現金及現金等價物	29	21,032	52,058
			22,194	103,587
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易款項及其他應付款項	31	1,561	1,230
Promissory notes	承付票據	39	24,617	–
			26,178	1,230
NET CURRENT (LIABILITIES)/ ASSETS	流動(負債)/資產淨值		(3,984)	102,357
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		2,198,125	138,446
NON-CURRENT LIABILITY	非流動負債			
Convertible note	可換股票據	38	–	–
NET ASSETS	資產淨值		2,198,125	138,446
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	40	322,855	21,511
Reserves	儲備	43(b)	1,875,270	116,935
TOTAL EQUITY	總權益		2,198,125	138,446

Approved and authorised for issue by the board of directors on 26 July 2010.

由董事會於二零一零年七月二十六日批准及授權刊行。

On behalf of the board
代表董事會

LEUNG Chau Ping, Paul 梁秋平
Director 董事

CHIU Raymond Yim 趙炎仁
Director 董事

The notes on pages 53 to 171 form part of these consolidated financial statements.

第53頁至第171頁之附註構成此等綜合財務報告之一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

永保林業控股有限公司 二零零九／二零一零年年報

		Attributable to the owners of the Company											Non-controlling interests		Total equity
		本公司擁有人應佔											非控制權益		總權益
		Share capital	Share premium	Contributed surplus	Distributable reserve	Capital redemption reserve	Property revaluation reserve	Fair value reserve	Equity component reserve	Exchange fluctuation reserve	Accumulated losses	Sub-total			
Note		股本	股份溢價	實繳盈餘	可供分派儲備	股本贖回儲備	物業重估儲備	公平值儲備	權益部分儲備	匯兌波動儲備	累計虧損	小計	非控制權益	總權益	
附註		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
At 1 April 2008	於二零零八年四月一日	289,885	248,828	2,789	2,216	-	23,762	8,783	236,787	2,765	(157,628)	658,187	419,417	1,077,604	
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	-	(12,707)	(12,707)	(20,033)	(32,740)	
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	(23,699)	-	-	-	23,699	-	-	-	
Gain on valuation of buildings	樓宇估值收益	-	-	-	-	-	37	-	-	-	-	37	15	52	
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告產生之匯兌差額	-	-	-	-	-	-	-	-	307	-	307	179	486	
Total other comprehensive (loss)/income	其他全面(虧損)/收入總額	-	-	-	-	-	(23,662)	-	-	307	23,699	344	194	538	
Total comprehensive (loss)/income for the year	年內全面(虧損)/收入總額	-	-	-	-	-	(23,662)	-	-	307	10,992	(12,363)	(19,839)	(32,202)	
Transactions with owners	與擁有人進行之交易														
Shares issued upon exercise of bonus warrants	紅利認股權證獲行使後發行股份	40(c)	5,222	-	-	-	-	-	-	-	-	5,222	-	5,222	
Capital reduction	資本削減	40(a)	(265,596)	-	82,264	-	-	-	-	-	183,332	-	-	-	
Repurchase of shares	購回股份	40(e)	(8,000)	-	-	-	-	-	-	-	-	(8,000)	-	(8,000)	
Cancellation of convertible note	註銷可換股票據		-	-	-	-	-	-	(441,618)	-	-	(441,618)	-	(441,618)	
Capital redemption reserve arising from repurchase of shares	購回股份產生之股本贖回儲備		-	-	-	8,000	-	-	-	-	(8,000)	-	-	-	
Premium on repurchase of shares	購回股份之溢價	40(e)	-	(35,200)	-	-	-	-	-	-	-	(35,200)	-	(35,200)	
Transfer	轉撥		-	-	-	-	-	-	204,831	-	(204,831)	-	-	-	
Capital contribution by a non-controlling shareholder	一名非控制股東注資		-	-	-	-	-	-	-	-	-	-	2	2	
Disposal of subsidiaries	出售附屬公司	45(b)	-	-	-	-	-	-	-	-	-	-	(385,466)	(385,466)	
Total transactions with owners	與擁有人進行之交易總額		(268,374)	(35,200)	82,264	8,000	-	-	(236,787)	-	(29,499)	(479,596)	(385,464)	(865,060)	
At 31 March 2009	於二零零九年三月三十一日		21,511	213,628	85,053	2,216	8,000	100	8,783	-	3,072	(176,135)	166,228	14,114	180,342

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

Sustainable Forest Holdings Limited Annual Report 2009/10

Attributable to the owners of the Company
本公司擁有人應佔

	Note 附註	Share capital 股本 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Distri- butable reserve 可供分派 儲備 HK\$'000 港幣千元	Capital redemption reserve 股本贖回 儲備 HK\$'000 港幣千元	Property revaluation reserve 物業重估 儲備 HK\$'000 港幣千元	Fair value reserve 公平值 儲備 HK\$'000 港幣千元	Exchange fluctuation reserve 匯兌波動 儲備 HK\$'000 港幣千元	Share option reserve 購股權 儲備 HK\$'000 港幣千元	(Accumulated	Non- controlling interests 非控制 權益 HK\$'000 港幣千元	Total equity 總權益 HK\$'000 港幣千元	
											losses)/ Retained profits (累計虧損)/ 保留溢利 HK\$'000 港幣千元			Sub-total 小計 HK\$'000 港幣千元
At 1 April 2009	於二零零九年四月一日	21,511	213,628	85,053	2,216	8,000	100	8,783	3,072	-	(176,135)	166,228	14,114	180,342
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	-	273,303	273,303	1,040	274,343
Disposal of subsidiaries	出售附屬公司	45(a)	-	-	-	-	(100)	(8,783)	(3,185)	-	8,883	(3,185)	-	(3,185)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告產生之匯兌差額	-	-	-	-	-	-	-	780	-	-	780	12	792
Total other comprehensive (loss)/income	其他全面(虧損)/收入總額	-	-	-	-	-	(100)	(8,783)	(2,405)	-	8,883	(2,405)	12	(2,393)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收入總額	-	-	-	-	-	(100)	(8,783)	(2,405)	-	282,186	270,898	1,052	271,950
Transactions with owners	與擁有人進行之交易													
Placement of new shares	配售新股份	40(f)	44,409	223,700	-	-	-	-	-	-	-	268,109	-	268,109
Shares issue expenses	股份發行開支	-	-	(8,275)	-	-	-	-	-	-	-	(8,275)	-	(8,275)
Issuance of convertible preference shares	發行可換股優先股份	40(g)	249,085	1,528,989	-	-	-	-	-	-	-	1,778,074	-	1,778,074
Consideration shares issued for acquisition of subsidiaries	為收購附屬公司發行代價股份	40(g)	7,850	51,810	-	-	-	-	-	-	-	59,660	-	59,660
Deemed capital distribution	視作注資	39(a)	-	-	(30,283)	-	-	-	-	-	-	(30,283)	-	(30,283)
Issuance of share options	發行購股權	-	-	-	-	-	-	-	-	2,157	-	2,157	-	2,157
Forfeiture of share options	沒收購股權	-	-	-	-	-	-	-	-	(152)	152	-	-	-
Disposal of a subsidiary	出售一間附屬公司	45(a)	-	-	-	-	-	-	-	-	-	-	(15,131)	(15,131)
Acquisition of subsidiaries	收購附屬公司	44	-	-	-	-	-	-	-	-	-	-	27	27
Total transactions with owners	與擁有人進行之交易總額		301,344	1,796,224	(30,283)	-	-	-	-	2,005	152	2,069,442	(15,104)	2,054,338
At 31 March 2010	於二零一零年三月三十一日		322,855	2,009,852	54,770	2,216	8,000	-	667	2,005	106,203	2,506,568	62	2,506,630

The notes on pages 53 to 171 form part of these consolidated financial statements.

第53頁至第171頁之附註構成此等綜合財務報告之一部分。

Consolidated Statement of Cash Flows

綜合現金流轉表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

永保林業控股有限公司 二零零九／二零一零年年報

	Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務現金流轉		
Profit before taxation	除稅前溢利		
– Continuing operations	– 持續經營業務	430,203	216,993
– Discontinued operations	– 已終止業務	(24,960)	(255,318)
Adjustments for:	經下列調整：		
Amortisation of land lease premium	土地租賃權費攤銷	10(c) 3	5
Amortisation of intangible assets	無形資產攤銷	10(c), 20 6,540	95,303
Gain on extinguishment of convertible note	註銷可換股票據之收益	38 –	(204,831)
Gain on extinguishment of promissory note	註銷承付票據之收益	39 –	(88,090)
Finance costs	融資費用	10(a) 12,619	63,298
Finance income	融資收入	10(a) (962)	(1,158)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	45 –	(782)
Loss on disposal of discontinued operations	出售已終止業務之虧損	45 12,468	151,285
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	9 7	230
Depreciation	折舊	2,947	565
Write-down of inventories	撇減存貨	9, 26 206	10,356
Written off of other receivables	撇銷其他應收款項	137	–
Exchange difference, net	匯兌差額淨額	(710)	(130)
Share-based payments	以股份支付	10(b) 2,157	–
Changes in fair value less estimated point-of-sale costs of biological assets	生物資產公平值變動減估計銷售點成本	21 (369,980)	–
Operating profit/(loss) before changes in working capital	未計營運資金變動前之經營溢利/(虧損)	70,675	(12,274)
(Increase)/decrease in inventories	存貨(增加)/減少	(251,102)	3,219
Decrease in trade and other receivables	應收貿易款項及其他應收款項減少	22,312	19,589
Increase/(decrease) in trade and other payables	應付貿易款項及其他應付款項增加/(減少)	28,427	(5,790)
Cash (used in)/generated from operations	經營業務(流出)/流入現金	(129,688)	4,744
Income tax paid	已付所得稅		
– Hong Kong profits tax paid	– 已付香港利得稅	(100)	(1,564)
– Hong Kong profits tax refund	– 香港利得稅退稅	398	–
– Overseas tax paid	– 已付海外稅項	(26)	(289)
– PRC tax paid	– 已付中國稅項	–	(779)
		272	(2,632)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	經營業務現金(流出)/流入淨額	(129,416)	2,112

Consolidated Statement of Cash Flows

綜合現金流轉表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

Sustainable Forest Holdings Limited Annual Report 2009/10

	Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流轉		
Deposit for acquisition of subsidiaries	收購附屬公司之訂金 24	-	(15,500)
Payment to acquire property, plant and equipment and land lease premium	購入物業、廠房及設備之付款以及土地租賃權費 18	(7,073)	(1,275)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	276	-
Deposit for acquisition of property, plant and equipment	收購物業、廠房及設備之訂金	(6,939)	-
Net cash inflow from disposal of a subsidiary	出售一間附屬公司之現金流入淨額 45	26,488	211
Net cash outflow from acquisition of subsidiaries	收購附屬公司之現金流出淨額 44	(44,033)	-
Decrease/(increase) in pledged bank deposits	已抵押銀行存款減少/(增加)	50,518	(22,857)
Interest received	已收利息	962	1,158
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	投資活動現金流入/(流出)淨額	20,199	(38,263)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流轉		
Proceeds from placement and subscription of shares (net of expenses)	配售及認購股份之所得款項(扣除開支) 40(f)	259,834	-
Repayment of promissory note	償還承付票據 39(a)	(205,000)	-
Proceeds from issue of new shares under bonus warrants	根據紅利認股權證發行新股份所得款項 40(d)	-	5,222
Bank loans raised	所籌得銀行貸款	9,161	-
Repayment of bank loans	償還銀行貸款	(27,607)	(13,506)
Advance from shareholders	股東墊款	57,550	-
Advance from related companies	關連公司墊款	3,106	-
Repayment of amounts due to shareholders	償還應付股東款項	(189)	-
Repayment of amounts due to related companies	償還應付關連公司款項	(10,870)	-
Interest paid	已付利息	(739)	(377)
Interest element of finance lease payments	融資租約款項之利息部分	-	(7)
Capital element of finance lease payments	融資租約款項之資本部分	-	(29)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	融資活動現金流入/(流出)淨額	85,246	(8,697)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(23,971)	(44,848)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初現金及現金等價物	60,732	105,557
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	61	23
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等價物	36,822	60,732
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結存分析		
Cash and cash equivalents	現金及現金等價物 29	36,820	64,438
Cash and cash equivalents classified as held for sale	分類為持作待售現金及現金等價物 30	2	335
Bank overdrafts	銀行透支 29	-	(4,041)
		36,822	60,732

The notes on pages 53 to 171 form part of these consolidated financial statements.

第53頁至第171頁之附註構成此等綜合財務報告之一部分。

Notes to the Consolidated Financial Statements

綜合財務報告附註

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

永保林業控股有限公司 二零零九／二零一零年年報

1. CORPORATE INFORMATION

Sustainable Forest Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Pursuant to a special resolution passed by the shareholders of the Company at the special general meeting held on 21 January 2010, and the approval by the Registrar of the Companies in Bermuda on 26 January 2010, the name of the Company has been changed from “Bright Prosperous Holdings Limited” to “Sustainable Forest Holdings Limited” with the adoption of the new Chinese name “永保林業控股有限公司” in replacement of “晉盈控股有限公司” for identification propose. The stock short names for trading the shares of the Company on the Stock Exchange has been changed from “BRIGHT PROSPER” to “SUSTAIN FOREST” in English and from “晉盈控股” to “永保林業” in Chinese with effect from 26 February 2010.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprised tree felling service, sustainable forest management, Chita forests operation, building materials supply and installation, real estate development and mining.

2. STATEMENT OF COMPLIANCE

The Group’s consolidated financial statements up to 31 March 2009 had been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”). Pursuant to the acquisition of Amplewell Holdings Limited (“Amplewell”) and its subsidiaries at 31 July 2009 (“Amplewell Group”) (note 44), the Group’s operations extend to Brazil and Russia. The directors considered that it is more appropriate for the Group to prepare its consolidated financial statements in accordance with International Financial Reporting Standards (“IFRSs”) for the year ended 31 March 2010 in order to have a consistent and better presentation of the financial position and performance of the Group and unified the accounting policies within the members of the Group. The Group prepared its consolidated financial statements in accordance with IFRSs with effect from this financial year and converted the comparative financial information for the year ended 31 March 2009 to be in accordance with IFRSs. These financial statements also comply with the applicable disclosure provision of the Rules Governing the Listing of Securities on the Stock Exchange of (the “Listing Rule”) and the disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements of the Group have been prepared in accordance with IFRSs. IFRS 1, First-time Adoption of International Financial Reporting Standards, has been applied in preparing these financial statements. These consolidated financial statements are the Group’s first financial statements to be prepared in accordance with IFRSs.

1. 公司資料

永保林業控股有限公司(「本公司」)根據一九八一年百慕達公司法在百慕達註冊成立為獲豁免有限公司。本公司之股份在香港聯合交易所有限公司(「聯交所」)上市。

根據本公司股東於二零一零年一月二十一日舉行之股東特別大會通過之特別決議案，經百慕達公司註冊處處長於二零一零年一月二十六日批准後，本公司之英文名稱已由「Bright Prosperous Holdings Limited」，更改為「Sustainable Forest Holdings Limited」，並採用新中文名稱「永保林業控股有限公司」，以取代「晉盈控股有限公司」，以供識別。自二零一零年二月二十六日開始，本公司股份在聯交所進行買賣所採用英文簡稱由「BRIGHT PROSPER」改為「SUSTAIN FOREST」，而中文簡稱亦由「晉盈控股」改為「永保林業」。

本公司之主要業務為投資控股，其附屬公司之主要業務包括伐木服務、可持續森林管理、赤塔森林業務、建材供應與裝置、房地產開發及採礦。

2. 合規聲明

本集團截至二零零九年三月三十一日之綜合財務報告已根據香港財務報告準則(「香港財務報告準則」)編製。根據於二零零九年七月三十一日沛源控股有限公司(「沛源」)及其附屬公司(「沛源集團」)之收購(附註44)，本集團之業務擴展至巴西及俄羅斯。董事認為本集團根據國際財務報告準則(「國際財務報告準則」)編製其截至二零一零年三月三十一日止年度之綜合財務報告較為合適，可更一致及妥善呈列本集團財務狀況及業績，並統一本集團各成員公司之會計政策。本集團根據本財政年度生效之國際財務報告準則編製其綜合財務報告，並根據國際財務報告準則轉換截至二零零九年三月三十一日止年度之比較財務資料。該等財務報告亦遵守聯交所證券上市規則(「上市規則」)之適用披露條文，以及香港公司條例之披露規定。

本集團的綜合財務報告已按國際財務報告準則編製。於編製此等財務報告時已採納國際財務報告準則第1號「首次採納國際財務報告準則」。此等綜合財務報告為本集團首份根據國際財務報告準則編製之財務報告。

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2. STATEMENT OF COMPLIANCE (Continued)

IFRS 1 sets out the procedures that the Group must follow when it adopts IFRSs for the first time as the basis for preparing its consolidated financial statements. The Group is required to establish its IFRSs accounting policies for the year ended 31 March 2010 and in general, apply these retrospectively to determine the IFRSs opening balance at its date of transition, i.e. 1 April 2008.

When preparing these consolidated financial statements, management has adopted certain accounting, valuation and consolidation methods to comply with IFRSs. The consolidated financial statements prepared under HKFRSs for the year ended 31 March 2009 have been converted into IFRSs accordingly. The conversion from HKFRSs to IFRSs did not result in material impact on the Group equity, loss and cash flows for the corresponding year.

The Group disposed of certain operations which constituted discontinued operations under IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Therefore, the results derived from such operations are presented as discontinued operations in current year. The comparative figures for the corresponding year have been reclassified to conform with the current year's presentation.

The consolidated financial statements are presented in Hong Kong Dollar ("HK\$"). Unless otherwise specifically stated, all amounts are presented in thousand. Hong Kong dollar is the Company's functional and presentation currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of the financial statements

These consolidated financial statements have been prepared under the historical cost convention, except for biological assets and buildings held for own use that are measured at fair values, as appropriate.

The accounting policies and basis of preparation adopted in preparation of these consolidated financial statements are consistent with those used in the Group's audited financial statements for the year ended 31 March 2009 with the addition of the following new or revised standards and interpretations which are relevant to the Group's operations and are mandatory or earlier adopted for the financial year ended 31 March 2010 (note 4).

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next years are discussed in note 5.

2. 合規聲明(續)

國際財務報告準則第1號載列本集團於首次採納國際財務報告準則作為編製其綜合財務報告時必須依從的程序。本集團須製訂其截至二零一零年三月三十一日止年度的國際財務報告準則會計政策，整體而言，釐訂其於過渡日期(即二零零八年四月一日)按國際財務報告準則得出的期初結餘須追溯應用該等政策。

編製此等綜合財務報告時，為符合國際財務報告準則，管理層已採納若干會計、估值及綜合入賬方法。因此，截至二零零九年三月三十一日止年度根據香港財務報告準則編製之綜合財務報告已據此轉換為國際財務報告準則。由香港財務報告準則轉換至國際財務報告準則並無對本集團相應年度之股權、虧損及現金流轉造成重大影響。

本集團出售之若干業務構成國際財務報告準則第5號「持作待售非流動資產及已終止業務」項下已終止業務。因此，有關業務之業績於本年度列作已終止業務。相應年度之比較數字已經重新分類，以符合本年度之呈列方式。

綜合財務報告以港幣(「港幣」)列值。除另有指明者外，所有金額均以千位列示。港幣為本公司功能及呈列貨幣。

3. 主要會計政策概要

(a) 財務報告編製基準

綜合財務報告乃按歷史成本慣例編製，惟生物資產及持作自用之樓宇以公平值(如適用)計量。

編製此等綜合財務報告採納之會計政策及編製基準與本集團截至二零零九年三月三十一日止年度之經審核財務報告所用者及以下與本集團業務有關並於截至二零一零年三月三十一日止財政年度強制或較早採納之新訂或經修訂準則及詮釋一致(附註4)。

估計及相關假設經不斷檢討。倘會計估計之修訂僅影響估計作出修訂之期間，則修訂於該期間內確認，或倘修訂影響本期間及未來期間，則修訂於作出修訂期間及未來期間內確認。

管理層在應用國際財務報告準則過程中所作出對財務報告具有重大影響之判斷及存在於來年作出重大調整之重大風險估計在附註5討論。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions and any unrealised profits arising from intragroup transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

In the Company's statement of financial position, an investment in subsidiaries is stated at cost less impairment losses (see note 3(i)), unless the investment is classified as held for sale.

Non-controlling interests represent the portion of the net assets of subsidiaries attributable to interest that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss for the year between non-controlling interests and the owners of the Company.

Total comprehensive income and loss of a subsidiary is attributable to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interests having a deficit balance. Prior to 1 April 2009, losses applicable to the non-controlling interests in excess of the non-controlling interests in the subsidiary's equity were allocated against the interests of the Group except to the extent that the non-controlling interests had a binding obligation and were able to make an additional investment to cover the losses.

Prior to 1 April 2009, increase in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate. For decreases in interests in subsidiaries regardless of whether the disposals would result in the Group losing control over the subsidiaries, the difference between the consideration received and the carrying amount of the share of net assets disposed of was recognised in profit or loss.

3. 主要會計政策概要(續)

(b) 附屬公司及非控制權益

附屬公司為本集團控制之實體。控制是指本集團有權管轄實體之財務及營運政策以從其活動中獲益。於評估控制權時，目前可行使之潛在表決權亦在考慮之列。

於附屬公司之投資乃自控制權開始日期起綜合計入綜合財務報告，直至控制權終止日期為止。

集團內公司間之結餘及交易以及集團內公司間交易產生之任何未變現溢利，乃於編製綜合財務報告時全數對銷。集團內公司間交易產生之未變現虧損以與未變現收益相同之方式對銷，惟僅以並無證據證明出現減值為限。

於本公司之財務狀況表內，除分類為持作代售之投資外，於附屬公司之投資乃按成本值減去減值虧損(見附註3(i))列賬。

非控制權益為並非由本公司擁有(不論直接或間接透過附屬公司)之權益應佔附屬公司資產淨值部分，就此，本集團並未與該等權益持有人協定任何額外條款，以致本集團整體須就有關權益承擔財務負債所界定合約責任。非控制權益於綜合財務狀況表內權益一項呈列，且獨立於本公司擁有人應佔權益。於本集團業績內之非控制權益在綜合收益表及綜合全面收益表內以非控制權益及本公司之擁有人損益總額方式列報。

倘若附屬公司的全面收益及虧損總額歸屬本公司擁有人及非控制權益會導致非控制權益產生虧絀餘額，全面收益及開支總額仍然必須歸屬於本公司擁有人及非控制權益。於二零零九年四月一日之前，倘非控制權益所適用虧損超越於該附屬公司權益中的非控制權益，除該非控制權益須承擔具約束力責任及有能力支付額外投資以彌補虧損外，否則該虧損餘額應由本集團的權益分配。

於二零零九年四月一日前，現有附屬公司權益增加，乃以收購附屬公司之相同方式處理，並確認商譽或所獲取購買優惠(如適用)。就附屬公司權益減少而言，不論出售會否導致本集團對附屬公司失去控制權，已收代價與應佔出售資產淨值賬面值之差額於損益確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Subsidiaries and non-controlling interests (Continued)

From 1 April 2009, changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 3(n) depending on the nature of the liability.

(c) Business combinations

Business combinations prior to 1 April 2009

Acquisition of businesses was accounted for using the purchase method. The cost of the acquisition was measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that met the relevant conditions for recognition were generally recognised at their fair values at the acquisition date.

Goodwill arising on acquisition was recognised as an assets and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after assessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeded the cost of the business combination, the excess was recognised immediately in profit or loss.

The non-controlling interest in the acquiree was initially measured at the non-controlling interest's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Contingent consideration was recognised, if and only if, the contingent consideration was probable and could be measured reliably. Subsequent adjustments to contingent consideration were recognised against goodwill.

Business combinations achieved in stages were accounted for as separate steps. Goodwill was determined at each step. Any additional acquisition did not affect the previously recognised goodwill.

3. 主要會計政策概要(續)

(b) 附屬公司及非控制權益(續)

自二零零九年四月一日起，本集團於一家附屬公司之擁有權益變動並無導致本集團對該附屬公司失去控制權，乃入賬列作權益交易。本集團權益之賬面值與非控制權益會作出調整，以反映該附屬公司之相關權益變動。經調整非控制權益與已付或已收代價公平值之差額於權益直接確認，並撥歸本公司擁有人所有。

來自非控制權益持有人之貸款及該等持有人之其他合約責任視乎負債性質，根據附註3(n)於綜合財務狀況表中呈列為財務負債。

(c) 業務合併

於二零零九年四月一日前之業務合併

收購業務乃以購入法列賬。收購成本按於交換日期本集團就換取被收購公司的控制權而交付的資產、產生或承擔之負債及發行之股本工具的公平值總和計算，另加任何直接與業務合併相關之成本。被收購公司符合相關條件的可識別資產、負債及或然負債一般按收購日期之公平值確認。

收購所產生商譽乃確認為資產，並初步按成本(即業務合併成本高於本集團於所確認可識別資產、負債及或然負債中公平淨值權益之差額)計算。倘於重新評估後，本集團於被收購公司之可識別資產、負債及或然負債中公平淨值權益高於業務合併成本，則高出數額會即時於損益確認。

被收購公司的非控股權益最初按非控股權益應佔已確認資產、負債及或然負債之公平淨值的比例而計量。

或然代價僅可於有可能支付或然代價且其金額能被可靠地計量時確認；其後對或然代價之調整乃與商譽確認。

分階段形式收購之業務合併按個別步驟入賬。每個步驟均須釐定其商譽。任何額外的收購並不會影響以往之已確認商譽。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Business combinations (Continued)

Business combinations on or after 1 April 2009

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 (2008) are recognised at their fair values, except that:

- deferred tax assets or liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to the replacement by the Group of and acquiree's share-based payment awards are measured in accordance with IFRS 2 Share-based Payment; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after assessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests may be initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

3. 主要會計政策概要(續)

(c) 業務合併(續)

於二零零九年四月一日或之後之業務合併收購業務採用收購法入賬。業務合併之已轉讓代價按公平值計量，即於收購日期本集團所轉讓資產之公平值、本集團向被收購公司之前持有人所轉讓負債以及由本集團發行以交換該被收購公司控制權之股本權益之總和。收購相關的成本於損益確認為開支。

於收購日，被收購公司之可識別資產、負債及或然負債如符合國際財務報告第3號(二零零八年)的確認條件，則可確認其之公平值，惟下文所述者除外：

- 遞延稅項資產或負債或與僱員福利安排有關之負債或資產，分別根據國際會計準則第12號所得稅及國際會計準則第19號僱員福利確認並計量；
- 與本集團取代被收購公司之以股份之付款獎勵相關之負債或股本工具乃根據國際財務報告準則第2號以股份付款計量；及
- 資產(或出售集團)乃根據國際財務報告準則第5號持作待售非流動資產，已終止業務被分類為持作待售並根據該準則計量。

商譽為已轉讓代價、被收購公司任何非控股權益之金額以及收購方過往持有被收購公司股本權益之公平值(如有)之總和，減去已收購之可識別資產於收購日之金額以及所承擔之負債。倘於重新評估後，本集團於被收購公司之可識別淨資產之所佔之公平值高於已轉讓代價、被收購公司的任何非控股權益之金額以及收購方過往持有被收購公司股本權益之公平值(如有)之總和，則超出金額即於損益內確認為購買優惠收益。

非控股權益可於初步計量為公平值或以非控股權益佔該被收購公司可識別淨資產之比例計算。計量基準乃按每項交易計算為基準作出選擇。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Business combinations (Continued)

Business combinations on or after 1 April 2009 (Continued)

Where the consideration the Group transfers in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss.

Changes in the value of the previously held equity interest recognised in other comprehensive income and accumulated in equity before the acquisition date are reclassified to profit or loss when the Group obtains control over the acquiree.

3. 主要會計政策概要 (續)

(c) 業務合併 (續)

於二零零九年四月一日或之後之業務合併 (續)

本集團於一項業務合併轉移的代價包括或然代價安排所產生資產或負債，或然代價乃按收購日之公平值計算，被視為合資格作計算期間調整代價之一部分，購買優惠可作追溯調整，亦可就商譽或購買優惠作出相應調整。計算期之調整是於計算期間因取得截至收購日出現之事件及環境的額外資訊所作調整。計算期於收購日起計不可超過一年。

其後之或然代價公平值變動之會計賬目於計算期之調整是否符合資格，須視乎或然代價之分類。或然代價被分類為股權時於其後之報告日期不會重新計量，及後之支付則視作於股本之內。或然代價被分類為資產或負債時於其後之報告日期須根據國際會計準則第39號或國際會計準則第37號撥備、或然負債及或然資產(視適用情況而定)重新計量，相關收益或虧損則於損益確認。

倘分階段形式進行業務合併，本集團過往於被收購公司持有之股本權益乃於收購日期(即本集團取得控制權之日)重新計量至公平值，就此得出之盈虧(如有)則於損益確認。

以往持有股本權益之價值變動於其他全面收益確認，以及於收購日期前之累計股本則於本集團取得該被收購公司控制權時重新分類至損益。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Goodwill

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of comprehensive income/income statement. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3. 主要會計政策概要(續)

(d) 商譽

因收購業務產生之商譽乃按成本減累計減值虧損(如有)列賬，並於綜合財務狀況表獨立呈列。

就減值測試而言，商譽分配予預期會受惠於合併之協同效益之本集團各相關現金產生單位。獲分配商譽的現金產生單位每年及當有跡象顯示單位可能出現減值時更頻繁地進行減值測試。倘若現金產生單位的可收回金額低於其賬面值，則先將有關減值虧損分配，以減低該單位已獲分配的任何商譽的賬面值，再按該單位每項資產之賬面值按比例分配至該單位的其他資產。商譽的任何減值虧損直接於綜合全面收益表／收益表之損益中確認，且不會於往後期間撥回。

出售相關現金產生單位時，商譽之應佔金額於釐定出售損益時計入。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment

The following properties held for own use are stated in the consolidated statement of financial position at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation:

- buildings held for own use

Revaluations are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the end of the reporting period.

Freehold land and construction in progress are not depreciated.

The following items of property, plant and equipment, are stated in the consolidated statement of financial position at cost less accumulated depreciation and accumulated impairment losses (see note 3(i)):

- furniture and fixtures, machinery, engineering and other equipment, motor vehicles and moulds

Changes arising on the revaluation of properties held for own use are generally dealt with in reserves. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

3. 主要會計政策概要(續)

(e) 物業、廠房及設備

以下持作自用物業於綜合財務狀況表按重估金額(即有關物業於重估日之公平值)減任何其後累計折舊列賬:

- 持有作自用之樓宇

本集團會定期進行重估, 確保該等資產之賬面值與使用結算日公平值釐定之數額並無重大出入。

概不會就永久業權土地及在建工程計算折舊。

以下物業、廠房及設備項目(永久業權土地除外)於綜合財務狀況表按成本值減累計折舊及累計減值虧損列賬(見附註3(i)):

- 傢俬及裝置、機器、工程及其他設備、汽車及工模

因重估持作自用物業產生之變動一般計入儲備。僅有例外情況如下:

- 倘產生重估減值, 變動將在損益內扣除, 直至超出於緊接重估前就同一項資產於儲備內持有之金額為止; 及
- 倘產生重估增值, 變動將計入損益, 並以就同一項資產先前已於損益內支銷之重估減值為限計算。

自行興建之物業、廠房及設備項目之成本, 包括材料成本、直接勞工成本, (如適用)初步估計拆卸及搬遷項目以及恢復項目所在地原貌的成本, 以及適當比例的經常性生產成本及借貸成本。

報廢或出售物業、廠房及設備項目所產生盈虧按出售所得款項淨額與項目賬面值間之差額釐訂, 並於報廢或出售當日於損益內確認。任何有關重估盈餘從重估儲備轉撥至保留溢利且不會重新分類至損益。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment (Continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimate useful life:

Furniture and fixtures	5-10 years
Machinery, engineering and other equipment	5-10 years
Motor vehicles	10 years
Moulds	10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(f) Intangible assets (other than goodwill)

Intangible assets, other than goodwill, identified on business combinations are capitalised on their fair values.

Intangible assets acquired by the Group are stated in the consolidated statement of financial position at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 3(i)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of mining rights with finite useful lives is charged to profit or loss on a straight-line basis over its estimated useful lives of 16 years. Both the period and method of amortisation are reviewed annually.

Amortisation of timber concession rights with finite useful lives is charged to profit or loss on a straight-line basis over its estimated useful lives of 5 to 25 years, which is based on their estimation of the economic benefits of units of production of timber products from the harvest of timber during the period of concession rights, or the expected useful life of the rights if shorter. Both the period and method of amortisation are reviewed annually.

3. 主要會計政策概要(續)

(e) 物業、廠房及設備(續)

折舊乃使用直線法按有關項目以下之估計可使用年期，以撇銷物業、廠房及設備項目之成本值，並扣除其估計剩餘價值(如有)：

傢俬及裝置	5-10年
機器、工程及 其他設備	5-10年
汽車	10年
工模	10年

倘物業、廠房及設備項目之各個部分使用年期不同，則該項目之成本值或估值按合理基準於各個部分之間分配，且各個部分單獨計提折舊。資產之可使用年期及其剩餘價值(如有)每年檢討。

(f) 無形資產(不包括商譽)

於業務合併時識別之無形資產(不包括商譽)按公平值撥充資本。

本集團收購之無形資產按成本減累計攤銷(若估計可使用年期為有限)及減值虧損(見附註3(i))在綜合財務狀況表列賬。有關內部產生之商譽及品牌之開支，在產生期間支銷。

可使用年期有限之採礦權攤銷於該資產估計可使用年期16年以直線法在損益支銷。攤銷期與方法會每年檢討。

可使用年期有限之木材特許權攤銷於該權利估計可使用年期5至25年以直線法在損益支銷，有關計算乃根據於特許權期間來自砍伐木材之木材產品單位經濟利益之估計，或有關權利之預計剩餘年期(以較短者為準)而作出。攤銷期與方法會每年檢討。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Biological assets

Biological assets are living plants involved in the agricultural activities of the transformation of biological assets into agricultural produce for sale or into additional biological assets. Biological assets and agricultural produce are measured at fair value less estimated point-of-sale costs at initial recognition and at each reporting date. The fair value less estimated point-of-sale costs at the time of harvest is deemed as the cost of agricultural produce for further processing, if applicable.

(h) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later.

3. 主要會計政策概要(續)

(g) 生物資產

生物資產乃將生物資產轉化為待售農產品或轉化為其他生物資產之農業活動中涉及之活植物。於各呈報日期，生物資產及農產品乃初步按公平值減估計銷售點成本計量確認。公平值減砍伐時之估計銷售點成本被視為作進一步加工之農產品成本(如適用)。

(h) 租賃資產

倘本集團釐定一項安排(由一宗或一系列交易組成)附有權利可於協定期間內使用一項特定資產或多項資產以換取一項或多項付款，則該安排屬於或包含一項租約。該釐定乃根據對有關安排之本質評估作出，而不論該安排是否採取租約之法定形式。

(i) 本集團承租資產之分類

本集團根據租賃持有，且所有權之絕大部分風險及回報已轉移到本集團之資產乃分類為根據融資租約持有之資產。所有權之絕大部分風險及回報並無轉移到本集團之租賃分類為經營租約，惟下列各項除外：

根據經營租約持作自用且於租賃開始時公平值無法與建於其上之樓宇公平值分開計量之土地，入賬為根據融資租約持有，除非樓宇清楚地根據經營租約持有則另作別論。就此等目的而言，租約開始指本集團最初訂立或自前承租人接管租約之時間或該等樓宇興建日期之較後日期。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Leased assets (Continued)

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Company or group will obtain ownership of the asset, the life of the asset, as set out in note 3(e). Impairment losses are accounted for in accordance with the accounting policy as set out in note 3(i). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are written off as an expense of the accounting period in which they are incurred.

(iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred. The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property.

3. 主要會計政策概要(續)

(h) 租賃資產(續)

(ii) 根據融資租約收購之資產

倘本集團根據融資租約收購資產之使用權，則相當於所租賃資產公平值之金額或(倘更低)有關資產之最低租約付款現值，乃計入物業、廠房及設備，而相應負債(扣除融資費用)乃以融資租約承擔入賬。誠如附註3(e)所載，折舊按有關租約之期限或(倘本公司或本集團將有可能取得資產之所有權)資產之年期撇銷資產之成本值或估值之比率予以計提。減值虧損按附註3(i)所載會計政策入賬。租賃付款固有之融資費用按租期於損益內扣除，就各個會計期間之負擔剩餘價值產生概約固定週期比率。或然租金乃於產生之會計期間作為開支撇銷。

(iii) 經營租約費用

倘本集團擁有根據經營租約持有之資產使用權，則根據租約作出之付款乃按租期涵蓋之會計期間分期均等地於損益內扣除，惟倘備選基準更能代表將源自所租賃資產之利益形式則除外。所收取之租賃獎勵作為已作出之總租約付款淨額的一部分於損益內確認。或然租金於產生之會計期間在損益扣除。根據經營租約持有土地之收購成本乃以直線法按租期攤銷，惟倘物業分類為投資物業則除外。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets

(1) Impairment of receivables

Current and non-current receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtors;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtors will enter bankruptcy or other financial reorganisation;
- significant changes in the technological market, economic or legal environment that have an adverse effect on the debtors; and

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For trade receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective Group.

If in a subsequent period the amount of an impairment loss decrease and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

3. 主要會計政策概要(續)

(i) 資產之減值

(1) 應收款項之減值

流動及非流動應收款項以成本或攤銷成本列賬，於每個結算日檢討以釐定是否有減值之客觀證據。減值之客觀證據包括下列引起本集團關注一項或多項虧損事項之客觀數據：

- 重大財政困難或債務；
- 違約，如逾期支付或拖欠利息或本金還款；
- 債務人有可能破產或進行其他財務重組；
- 技術市場、經濟或法律環境之重大變動對債務人產生不利影響；及

如存在任何證據，減值虧損將按下列方式釐定及確認：

- 應收貿易款項及其他財務資產以攤銷成本列賬，減值虧損乃根據資產之賬面值與按財務資產原實際利率(即該等資產於首次確認時計算之實際利率)折現預期未來現金流轉現值(當折現之影響為重大時)之差異計算。倘按攤銷成本列賬之財務資產具備類似之風險特徵(例如類似之逾期情況及並未單獨被評估為出現減值)，則此等資產會一併進行評估。財務資產之未來現金流轉按具與本集團之類似信貸風險特徵資產之過往虧損情況一同評估減值。

倘於其後期間減值虧損金額有所減少，而客觀上與確認減值虧損後發生之事件有關，有關減值虧損會於損益撥回。減值虧損之撥回不應導致資產之賬面值超過其在過往年度沒有確認任何減值虧損情況下原應釐定之金額。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(i) Impairment of receivables (Continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired, except in the case of goodwill, or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- prepaid interests in leasehold land classified as being held under an operating lease;
- intangible assets;
- investments in subsidiaries and associates; and
- goodwill

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

3. 主要會計政策概要(續)

(i) 資產之減值(續)

(i) 應收款項之減值(續)

減值虧損直接於相應資產撇銷，惟就應收貿易款項(於應收貿易款項及其他應收款項內列值)確認之減值虧損除外，其金額之可收回性視為呆賬但並非不可能收回。在此情況，呆賬之減值虧損使用備抵賬記錄。倘本集團認為收回金額可能性甚微，視為不可收回之金額會於應收貿易款項中直接對銷，而備抵賬內關於該債務之任何金額會獲撥回。過去於備抵賬入賬之金額尚在其後收回，會於備抵賬內撥回。備抵賬之其他變動及於其後收回前直接撇銷之金額，均於損益確認。

(ii) 其他資產之減值

來自內部及外部之資料來源乃於各結算日予以檢討，以識別下列資產可能出現減值或(於屬於商譽之情況則除外)原先已確認之減值虧損不再存在或可能已減少之跡象：

- 物業、廠房及設備(以重估金額列賬之物業除外)；
- 於分類為根據經營租約持有之租賃土地預付權益；
- 無形資產；
- 於附屬公司及聯營公司之投資；及
- 商譽。

倘任何有關跡象存在，則會估計資產之可收回金額。此外，就商譽、尚未可供動用之無形資產及具備無限期可使用年期之無形資產而言，可收回金額會每年估計以確定是否有任何減值跡象。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

- Calculation of recoverable amount
The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).
- Recognition of impairment losses
An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.
- Reversals of impairment losses
In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

3. 主要會計政策概要(續)

(i) 資產之減值(續)

(ii) 其他資產之減值(續)

- 計算可收回金額
資產之可收回金額為其售價淨額及使用價值兩者之較高者。於評估使用價值時，估計未來現金流轉乃使用反映貨幣之時間價值及資產特定風險之現時市場評估稅前貼現率貼現至其現值。倘資產產生之現金流入並非大致上獨立於來自其他資產之現金流入，則為獨立產生現金流入之最小一組資產(即現金產生單位)釐定可收回金額。
- 確認減值虧損
當資產或資產所屬之現金產生單位之賬面值超過其可收回金額，則減值虧損於損益內確認。就現金產生單位確認之減值虧損予以分配，首先扣減現金產生單位(或一組單位)獲分配之任何商譽賬面值，然後，按比例扣除單位(或一組單位)之其他資產賬面值，惟資產之賬面值不會扣減至低於其個別公平價值減出售成本，或使用價值(倘可釐定)。
- 撥回減值虧損
就商譽以外之資產而言，倘用以釐定可收回金額之估計出現有利變動，則減值虧損予以撥回。有關商譽之減值虧損不予撥回。減值虧損之撥回限於倘於過往年度內並無確認減值虧損時原應釐定之資產賬面值。減值虧損撥回於確認撥回年度計入損益。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Inventories

(i) *Tree felling service/Sustainable forest management/Home appliances manufacturing*

Inventories are carried at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, costs of conversion and other costs incurred in bringing the inventories to their present location and condition, is determined on the first-in first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(ii) *Real estate development*

Inventories in respect of real estate development activities are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows:

- **Properties under development for sale**
The cost of properties under development for sale comprises specifically identified cost, including the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses and an appropriate proportion of overheads. Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.
- **Completed properties held for resale**
In the case of completed properties developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

3. 主要會計政策概要(續)

(j) 存貨

(i) *伐木服務／可持續森林管理／家庭電器製造／林業業務*

存貨乃按成本值與可變現淨值之較低者列賬。成本包括所有購買成本及(如適用)轉換成本及將存貨付運至其現在位置及令存貨達致現在狀況所產生之其他成本。成本按先入先出法釐定。可變現淨值為於日常業務過程中之估計售價減完成之估計成本及銷售所需之估計成本。

當存貨售出時，該等存貨之賬面值於確認有關收入期間內支銷。將存貨撇減至可變現淨值之金額及存貨之所有虧損於撇減或虧損發生期間內支銷。任何存貨撇減之撥回金額乃透過於撥回產生期間內扣減支銷之存貨金額而確認。

(ii) *房地產開發*

有關房地產開發活動之存貨以成本及可變現淨值較低者列賬。成本及可變現淨值按下列方式確定：

- **待售發展中物業**
待售發展中物業之成本包括專用可識別成本，其包括土地收購成本；發展、物料及供應品之整體成本；工資及其他直接開支及適當部分之經常性開支。可變現淨值指估計之銷售價格減去估計完工成本及物業銷售將產生之成本。
- **已落成持作轉售物業**
若為本集團發展之已落成物業，其未售出物業成本以按比例分配之該發展項目之全部發展成本計量。可變現淨值指估計售價減售出物業將產生之成本。

已落成持作待售物業之成本包括所有購買成本、轉換成本及將存貨付運至其目前位置及令存貨達致現在狀況所產生之其他成本。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Construction contracts

The accounting policy for contract revenue is set out in note 3(u)(ii). When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

Construction contracts in progress at the end of the reporting period are recorded in the consolidated statement of financial position at the net amount of costs incurred plus recognised profits less recognised losses and progress billings, and are presented in the consolidated statement of financial position as the "Gross amount due from customers for contract work" (as an asset) or the "Gross amount due to customers for contract work" (as a liability), as applicable. Progress billings not yet paid by the customer are included in the consolidated statement of financial position under "Trade and other receivables". Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as "Advances received".

(l) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment losses for bad and doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment losses for bad and doubtful debts (see note 3(i)).

(m) Convertible notes

Convertible notes that can be converted to equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition the liability component of the convertible notes is measured as the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. Any excess of proceeds over the amount initially recognised as the liability component is recognised as the equity components. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

3. 主要會計政策概要(續)

(k) 建築合約

合約收入之會計政策載列於附註3(u)(ii)。如果能夠可靠地估計建築合約之結果，合約成本會參照結算日之合約完成程度確認為支出。如果合約總成本可能超過合約總收入，便會即時將預期損失支銷。如果不能可靠地估計建築合約之結果，則合約成本在其產生之期間內支銷。

結算日之進行中工程建築合約乃按所產生之成本淨額加上已確認溢利，再減去已確認虧損及按進度開列之賬單數額，計入綜合財務狀況表，並按適用之情況在綜合財務狀況表中以「應收客戶合約工程總額」(作為資產)或「應付客戶合約工程總額」(作為負債)列示。客戶尚未支付之按進度開列之賬單數額則記入綜合財務狀況表之「應收貿易款項及其他應收款項」內。已在進行相關工程前收取之款項，記入綜合財務狀況表之「已收墊款」(作為負債)內。

(l) 應收貿易款項及其他應收款項

應收貿易款項及其他應收款項初步按公平值確認，其後按攤銷成本減呆壞賬之減值虧損備抵列賬，惟倘應收款項乃向有關連人士提供之並無固定還款期或貼現影響並不重大之免息貸款則除外。於該等情況，應收款項乃按成本值減呆壞賬減值虧損備抵(見附註3(i))列賬。

(m) 可換股票據

倘可由持有人選擇轉換為權益股本之可換股票據於轉換時將予發行之股份數目及於其時所收取之代價不會改變，則會以同時包含負債部分及權益部分之複合財務工具入賬。

可換股票據負債部分於初步確認時，乃以未來利息及本金付款之現值(以並無換股權之類似負債初步確認時之適用市場息率貼現)計量。所得款項超出初步確認為負債部分金額之任何部分會確認為權益部分。與發行複合財務工具相關之交易成本，按所得款項之分配比例分配至負債及權益部分。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Convertible notes (Continued)

The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the capital reserve until either the note is converted or redeemed.

If the note is converted, the capital reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, the capital reserve is released directly to retained profits.

(n) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings using the effective interest method.

(o) Preference share capital

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends on preference share capital classified as equity are recognised as distributions within equity.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. The liability is recognised in accordance with the Group's policy for interest-bearing borrowings set out in note 3(n) and accordingly dividends thereon are recognised on an accruals basis in profit or loss as part of finance costs.

(p) Trade and other payables

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

3. 主要會計政策概要(續)

(m) 可換股票據(續)

負債部分其後以攤銷成本計量。於損益就負債部分確認之利息開支乃以實際利息法計量。權益部分會於資本儲備確認，直至票據獲轉換或贖回為止。

倘票據被轉換，資本儲備連同負債部分於轉換當時之賬面值，將轉撥至股本及股份溢價，作為所發行股份之代價。倘票據被贖回，資本儲備會直接解除至保留溢利。

(n) 附息借貸

附息借貸乃初步按公平值減應佔交易成本確認。於初步確認後，附息借貸乃按攤銷成本列賬，而成本值與贖回價值兩者間之任何差額使用實際利息法按借貸之期間於損益內確認。

(o) 優先股股本

當優先股股本為不可贖回或只有本公司有權贖回，且任何股息乃酌情派付時，優先股股本則歸類為權益。分類為權益之優先股股本股息確認為權益分派。

當優先股股本為可於指定日期贖回或可按股東選擇贖回，或當股息並非酌情派付時，優先股股本則歸類為負債。負債按照附註3(n)所載本集團有關附息借貸之政策確認，故有關股息經損益確認為融資成本部分。

(p) 應付貿易款項及其他應付款項

應付貿易款項及其他應付款項乃初步按公平值確認，其後按攤銷成本列賬，惟貼現之影響輕微時則除外，於此情況乃按成本值列賬。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash equivalents include investments and advances denominated in foreign currencies provided that they fulfill the above criteria.

(r) Employee benefits

(i) Short term employee benefits and contributions to defined contribution plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the years in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) The employees of the Group's subsidiaries which operate in mainland China are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute a percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with rules of the central pension scheme.

(iii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial option pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

3. 主要會計政策概要(續)

(q) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、活期銀行及其他金融機構存款，以及可隨時兌換為已知金額之現金及毋須承受重大價值變動風險，且於購入後三個月內到期之短期高流動投資。就綜合現金流轉表而言，須按要求償還及構成本集團現金管理組成部分之銀行透支亦計作現金及現金等價物之一部分。現金等價物包括以外幣列值之投資及墊款，惟該等投資及墊款須符合上述規定。

(r) 僱員福利

(i) 短期僱員福利及向定額供款計劃供款

薪金、年度花紅、有薪年假、向定額供款計劃作出供款及非貨幣利益之成本乃於僱員提供有關服務年度內累計。倘付款或結算遞延而影響為重要，則該等金額按現值列賬。

(ii) 本集團於中國大陸經營業務之附屬公司僱員須參與當地市政府管理之中央退休金計劃。附屬公司須向中央退休金計劃作出其工資成本若干百分比的供款。供款於根據中央退休金計劃之規則到期應付時在損益扣除。

(iii) 以股支付

授予僱員之購股權公平值乃作為僱員成本予以確認，而權益內之資本儲備金額則會相應增加。公平值乃於購股權授出日期使用二項式點陣模式計量，並會計及購股權授出之條款及條件。倘僱員須符合歸屬條件後才可無條件享有購股權，則購股權之估計公平值總額乃計及購股權將歸屬之可能性後按歸屬期分攤。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Employee benefits (Continued)

(iii) Share-based payments (Continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

(s) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity. Current tax is the expected tax payable on the taxable income for the years, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

3. 主要會計政策概要(續)

(r) 僱員福利(續)

(iii) 以股支付(續)

於歸屬期內，預期歸屬之購股權數目予以檢討。除非原來僱員費用合資格確認為一項資產並相應調整資本儲備，否則於過往年度內確認之累計公平值調整乃於回顧年度之損益扣除／入賬。於歸屬日期，確認為開支之金額予以調整，以反映歸屬購股權之實際數目（於資本儲備內作出相應調整），惟倘沒收僅由於未能達到與本公司股份市價有關之歸屬條件則除外。權益數額於資本儲備內確認，直至購股權獲行使（當其轉入股份溢價賬時）或購股權屆滿（當其直接轉至保留溢利時）為止。

(s) 所得稅

本年度之所得稅包括即期稅項，以及遞延稅項資產及負債內之變動。與於權益直接確認的項目有關者會於損益確認，除此以外，即期稅項以及遞延稅項資產及負債內之變動一概於損益內確認。即期稅項是根據年內應課稅收入，按結算日已頒佈或大致已頒佈之稅率計算之預期應付稅項，並就過往年度的應付稅項作出調整。

遞延稅項資產及負債乃分別來自可扣稅及應課稅暫時差額，即資產及負債為財務報告目的呈列之賬面值，與其稅基之差額。遞延稅項資產亦可以是由尚未動用之稅務虧損及未動用之稅項抵免所產生。除若干有限之例外情況外，所有遞延稅項負債及所有遞延稅項資產均被確認，惟以未來有可能產生之應課稅溢利並能沖銷可動用資產為限。可支持確認可扣稅暫時差異所產生遞延稅項資產之日後應課稅溢利包括轉回現有應課稅暫時差額所產生者，惟該等差額必須與同一稅務機關及同一應課稅實體有關，並預期在預計轉回可扣稅暫時差額之同一期間或遞延稅項資產所產生稅務虧損可予撥回或結轉之期間內轉回。在決定現有應課稅暫時差異是否足以支持確認由未使用稅項虧損及抵免所產生遞延稅項資產時，亦會採用同一準則，即須計及與同一稅務機關及同一應課稅實體有關的差額，並預期在能夠運用稅項虧損或抵免之一段或各段期間內轉回。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future. The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted. The carrying amount of a deferred tax asset is reviewed at end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised. Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

3. 主要會計政策概要(續)

(s) 所得稅(續)

確認遞延稅項資產及負債之有限例外情況包括來自商譽之不可扣稅暫時差額、不影響會計或應課稅溢利(如屬業務合併的一部分則除外)資產或負債之初步確認,以及與於附屬公司投資有關之暫時差額,如為應課稅差額,只限於本集團控制轉回時間而且在可預見將來不大可能轉回之差額;或如屬可扣稅差額,則只限於可在將來轉回之差額。所確認之遞延稅項金額,乃按照各資產及負債預期之賬面值變現或償還方式,以及於結算日所通行或大致通行之稅率所計算。遞延稅項資產及負債不予折現。遞延稅項資產之賬面值會於每一個結算日予以檢討,並減少至不再可能有足夠之應課稅溢利以受惠於相關之稅務優惠。如有可能有足夠之應課稅溢利,該減值將被撥回。

分派股息產生之額外所得稅乃於確認支付有關股息之責任時確認。即期稅項結餘及遞延稅項結餘以及當中之變動乃各自分開呈列及不予抵銷。倘本公司或本集團擁有以即期稅項資產抵銷即期稅項負債之法律強制執行權,以及符合以下之額外條件時,即期稅項資產才會與即期稅項負債抵銷,而遞延稅項資產則與遞延稅項負債抵銷:

- 就即期稅項資產及負債而言,本公司或本集團計劃以淨額方式結算,或同時變現資產及償還負債;或
- 就遞延稅項資產及負債而言,如該資產及負債涉及之所得稅乃由同一個稅務機關向以下各方徵收:
 - 同一個應課稅實體;或
 - 不同應課稅實體,但於每一段未來期間,預期將償還或收回龐大之遞延稅項負債或資產,計劃以淨額方式變現即期稅項資產及償還即期稅項負債或同時變現資產及償還負債。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 3(t)(iii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Contingent liabilities acquired in business combinations

Contingent liabilities acquired as part of a business combination are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 3(t)(iii). Contingent liabilities acquired in a business combination that cannot be reliably fair valued are disclosed in accordance with note 3(t)(iii).

3. 主要會計政策概要(續)

(t) 已發出之財務擔保、撥備及或然負債

(i) 已發出之財務擔保

財務擔保為當指定債務人未能按債務工具之條款如期付款時，發行人(即：擔保人)需支付指定金額予擔保受益人(「持有人」)以補償所遭受損失之合約。

當本集團作出財務擔保時，擔保之公平值(即交易價格，除非其公平值可以可靠估計時則作別論)於首次確認時列為應付貿易款項及其他應付款項中的遞延收入。當就發出之擔保收到或可收取代價時，代價將根據本集團此類資產適用之政策而確認。當沒有收到或應收代價時，則即時於損益就首次確認之任何遞延收入確認開支。

初步確認為遞延收入之擔保金額，乃於擔保期限作為已發出之財務擔保收入，並在損益中攤銷。此外，倘若(i)擔保之持有人有可能就此擔保向本集團追討，及(ii)向本集團追討之金額預期超過該擔保目前於應付貿易款項及其他應付款項中列賬之金額，即初步確認之金額減累計攤銷，則按附註3(t)(iii)確認撥備。

(ii) 於業務合併中獲得之或然負債

在業務合併中獲得之或然負債，只要能可靠計量公平值，初步以公平值確認。初步按公平值確認後，該等或然負債按初步確認數額扣除累計攤銷(如適用)後之數額與根據附註3(t)(iii)釐定之數額兩者之較高者確認。在業務合併中獲得但無法靠計算公平值之或然負債，則按附註3(t)(iii)之規定披露。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Financial guarantees issued, provisions and contingent liabilities (Continued)

(iii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or nonoccurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(u) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Sale of goods

Revenue from the sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(ii) Contract revenue

When the outcome of a construction contract can be estimated reliably:

- revenue from a fixed price contract is recognised using the percentage of completion method, measured by reference to the percentage of contract costs incurred to date to estimated total contract costs for the contract; and
- revenue from a cost plus contract is recognised by reference to the recoverable costs incurred during the period plus an appropriate proportion of the total fee, measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the contract.

3. 主要會計政策概要(續)

(t) 已發出之財務擔保、撥備及或然負債(續)

(iii) 其他撥備及或然負債

倘若本集團或本公司須就已發生事件承擔法律或推定責任，而履行該責任會導致經濟效益外流，並可作出可靠估計，便會就時間或數額仍不明朗之其他負債確認撥備。如果貨幣時間價值重大，則按預計履行責任所需開支之現值計提撥備。

倘若致使經濟效益外流之機會不大，或無法對有關款額作出可靠估計，便會將該責任披露為或然負債，惟經濟效益外流之機會極低則除外。僅視乎一宗或多宗未來事件是否發生才能確定存在與否之潛在責任，亦會披露為或然負債，惟經濟效益外流之機會極低則除外。

(u) 收入確認

收入在經濟效益可能會流入本集團，以及能夠可靠地計算收入及成本(如適用)時，根據下列方法在損益內確認：

(i) 銷售貨品

銷售貨品之收入於擁有權之風險及回報轉移時確認，一般亦為貨品交付予客戶及擁有權轉移之時。收入不包括增值稅或其他銷售稅，並在扣除任何商業折扣後列賬。

(ii) 合約收入

如果建築合約之結果可以可靠地估計：

- 固定造價合約之收入會使用完工百分比方法確認；參考截至計算日為止已錄得之合約成本佔合約的估計合約成本總額百分比而計算；及
- 來自成本加合約的收入，乃參考於該期間產生的可回收成本加費用總額的適當比例確認，而費用總額乃參考迄今所產生的成本佔估計合約成本總額的比例計算。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue recognition (Continued)

(ii) Contract revenue (Continued)

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

(iii) Interest income

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the effective interest method.

(iv) Tree felling service income

Revenue from provision of tree felling services is recognised when services are provided. The amount of revenue recognised is based on the fair value of logs harvested during the tree felling process.

(v) Sales of properties

Revenue arising from sale of properties held for sale is recognised when the risks and rewards of ownership of the properties have passed to the buyer.

(v) Translation of foreign currencies

Foreign currency transactions during the years are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Items of statement of financial position, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised directly in a separate component of equity. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

3. 主要會計政策概要(續)

(u) 收入確認(續)

(ii) 合約收入(續)

如果建築合約之結果不能可靠地預計，則只有已產生合約成本可收回時才能確認收入。

(iii) 利息收入

利息收入以未償還本金按實際利息法及時間比例基準確認。

(iv) 伐木服務費收入

提供伐木服務之收入於有關服務獲提供時確認。已確認收入金額乃根據伐木工序中所砍伐原木之公平值計算。

(v) 物業銷售

來自持作待售之收入於物業擁有權風險及回報轉移至買方時確認。

(v) 外幣換算

年內進行之外幣交易按交易日之適用匯率換算。以外幣列值之貨幣資產及負債按結算日之適用匯率換算。匯兌盈虧均於損益內確認。

根據歷史成本計量並以外幣為單位之非貨幣資產及負債，乃採用於交易日期之適用匯率換算。按公平值列賬並以外幣列值之非貨幣資產及負債，乃採用於釐定公平值之日期適用之匯率換算。

海外業務之業績乃與交易日期適用匯率相若之匯率換算為港元。財務狀況表項目(包括因合併於二零零五年一月一日或以後收購之海外業務而產生之商譽)則按結算日之適用匯率換算為港元。所得出匯兌差額直接獨立確認為權益部分。合併於二零零五年一月一日前購入之海外業務產生之商譽，按該海外業務於收購當日適用之匯率換算。

於出售海外業務時，有關該海外業務而於權益確認之匯兌差額累計數額，乃計入出售之盈虧。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Borrowing costs

Borrowing costs are expensed in profit or loss in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

(x) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. It also occurs when the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the profit or loss, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

(y) Related parties

For the purpose of these financial statements, parties are considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals; or

3. 主要會計政策概要(續)

(w) 借貸成本

除直接用作收購、建設或生產一項需要相當長時間方可投入擬定用途或銷售之資產之借貸成本會撥充資本外，借貸成本均在產生期間在損益支銷。

(x) 已終止業務

已終止業務為本集團業務之一部分，其經營及現金流轉可明確與本集團之其他部分區別，並代表一個獨立之業務主線或地區業務，或者屬於出售獨立業務主線或地區業務之單一合作計劃之一部分，或為僅就轉售而購入之附屬公司。

當業務被出售或符合歸類為持作待售之準則(如較早)時，則分類為已終止業務。此分類亦會於放棄經營業務時出現。

倘一項業務已分類為已終止經營，則會於損益上呈列一個單一金額，包括：

- 已終止業務之除稅後溢利或虧損；及
- 計量構成已終止業務之資產或出售組合之公平值減出售成本，或出售該等資產或組合時，已確認之除稅後收益或虧損。

(y) 關連人士

就此等財務報告而言，下列人士將被視為本集團之關連人士：

- (i) 該方能夠直接或透過一間或多間中介機構間接控制本集團或對本集團之財務及經營決策發揮重大影響力，或共同控制本集團；
- (ii) 本集團與該方均受共同控制；
- (iii) 該方為本集團之聯屬公司或本集團為合營夥伴之合營企業；
- (iv) 該方為本集團或本集團母公司主要管理人員或該等個人之近親，或該等個人所控制、共同控制或可發揮重大影響力之實體；或

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Related parties (Continued)

- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals, or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(z) Segment reporting

An operating segment is a component of the Group that is engaged in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the Group. All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available (see note 6).

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In the current year, the Group has applied all of the new and revised Standards, Amendments and Interpretations issued by the International Accounting Standards Board (IASB) that are relevant to its operations and effective for annual periods beginning on or after 1 April 2009. In addition, the Group has early applied IFRS 3 (revised in 2008) Business Combinations and IAS 27 (revised in 2008) Consolidated and Separate Financial Statements in advance of their effective dates. The new and revised Standards, Amendments and Interpretations adopted in the current year are referred to as new and revised IFRSs.

The impact of the application of the new and revised IFRSs is discussed below. The impact on basic and diluted earnings per share is discussed in note 17.

(a) New and revised IFRSs affecting presentation and disclosure only

(i) IAS 1 (revised in 2007) Presentation of Financial Statements

IAS 1 (2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

3. 主要會計政策概要(續)

(y) 關連人士(續)

- (v) 該方為(i)所指人士之近親或該等個人控制、共同控制或可發揮重大影響力之實體；或
- (vi) 該方為本集團為其或任何屬本集團關連人士之實體之僱員提供福利之離職後福利計劃。

個人之近親為預期可影響該等與實體買賣之個人之家庭成員或受該個人影響之家庭成員。

(z) 分部報告

經營分部為本集團賺取收入及產生費用之商業活動組成部分，包括與本集團其他部分之任何交易有關之收入及開支。經營分部之經營業績由本集團行政總裁定期審閱，以決定分部之資源分配及評估其表現，並可獲提供個別財務資料(見附註6)。

4. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)

於本年度，本集團應用由國際會計準則委員會(「國際會計準則委員會」)頒佈、與其營運有關並於二零零九年四月一日或之後開始之年度期間生效之所有新訂及經修訂準則、修訂及詮釋。此外，本集團於該等準則生效日期前提早採納國際財務報告準則第3號(二零零八年經修訂)業務合併、國際會計準則第27號(二零零八年經修訂)綜合及獨立財務報告。該等於本年度採納之新訂及經修訂準則、修訂及詮釋統稱為新訂及經修訂國際財務報告準則。

採納新訂及經修訂國際財務報告準則之影響論述如下。對每股基本及攤薄盈利之影響則於附註17論述。

(a) 僅對呈列及披露構成影響之新訂及經修訂國際財務報告準則

(i) 國際會計準則第1號(二零零七年經修訂)財務報告呈報

國際會計準則第1號(二零零七年)提出更改專用名稱(包括修改綜合財務報告之標題)及更改財務報告的格式和內容。

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4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (Continued)

(a) New and revised IFRSs affecting presentation and disclosure only (Continued)

(ii) IFRS 8 Operating Segments

IFRS 8 is a disclosure Standard that has resulted in a redesignation of the Group's reportable segments (see note 6).

(iii) Improving Disclosures about Financial Instruments

(Amendments to IFRS 7 Financial Instruments: Disclosures)

The amendments to IFRS 7 expand the disclosures required in relation to fair value measurements and liquidity risk. The Group has not presented comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments.

(iv) IAS 27 (revised in 2008) Consolidated and Separate Financial Statements

IAS 27 (2008) has been adopted in advance of its effective date (annual periods beginning on or after 1 July 2009) and has been applied retrospectively (subject to specified transitional provisions). The revised Standard has resulted in changes in the Group's accounting policies regarding changes in ownership interests in subsidiaries of the Group. The new accounting policies in relation to changes that take place on or after 1 April 2009 in accordance with the relevant transitional provision.

IAS 27 (2008) has been adopted in advance of its effective date (annual periods beginning on or after 1 July 2009) and has been applied retrospectively (subject to specified transitional provisions). The revised Standard has resulted in changes in the Group's accounting policies regarding changes in ownership interests in subsidiaries of the Group. The new accounting policies in relation to changes in ownership interests in subsidiaries have been applied prospectively to changes that take place on or after 1 April 2009 in accordance with the relevant transitional provisions.

4. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)

(續)

(a) 僅對呈列及披露構成影響之新訂及經修訂國際財務報告準則(續)

(ii) 國際財務報告準則第8號經營分部
國際財務報告準則第8號為一項披露準則，並無導致本集團可呈報分部須重新劃分(見附註6)。

(iii) 財務工具披露之改進

(國際財務報告準則第7號財務工具：披露之修訂)

國際財務報告準則第7號的修訂擴大有關以公平值計量及流動資金風險之披露規定。本集團並無根據該修訂所載列之渡性條文呈列經擴大披露之比較資料。

(iv) 國際會計準則第27號(二零零八年經修訂)綜合及獨立財務報告

國際會計準則第27號(二零零八年)於其生效日期(於二零零九年七月一日或之後開始之年度期間)前已採納及追溯應用(須受特定過渡條文規限)。經修訂準則導致本集團有關於本集團附屬公司之擁有權變動之會計政策出現變動。根據有關過渡條文新會計政策有關於二零零九年四月一日或之後發生之變動。

國際會計準則第27號(二零零八年)於其生效日期(於二零零九年七月一日或之後開始之年度期間)已被採納及追溯應用(須受特定過渡條文規限)。經修訂準則導致本集團有關於本集團附屬公司之擁有權變動之會計政策出現變動。有關於附屬公司擁有權權益變動之新會計政策已根據有關過渡條文就二零零九年四月一日或之後發生之變動預期應用。

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4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (Continued)

(a) New and revised IFRSs affecting presentation and disclosure only (Continued)

(iv) IAS 27 (revised in 2008) Consolidated and Separate Financial Statements (Continued)

In prior years, in the absence of specific requirements in IFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate. For decreases in interests in existing subsidiaries regardless of whether the disposals would result in the Group losing control over the subsidiaries, the difference between the consideration received and the carrying amount of the share of net assets disposed of was recognised in profit or loss.

Under IAS 27 (2008), increases or decreases in ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are dealt with in equity and attributed to the owners of the parent, with no impact on goodwill or profit or loss. When control of a subsidiary is lost as a result of a transaction, event or other circumstance, IAS 27 (2008) requires that the Group derecognise all assets, liabilities and non-controlling interests at their carrying amounts. Any retained interest in the former subsidiary is recognised at its fair value at the date when control is lost, with the resulting gain or loss being recognised in profit or loss.

The adoption of the revised Standard has no impact on the financial statements.

(v) IAS 38 (amendment) Intangible Assets

The amendment is part of the International Accounting Standards Board's annual improvements project published in April 2009 and the Group and Company applied the IAS 38 (amendment) at the same time from the date of IFRS 3 (revised in 2008) Business Combinations is adopted. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. The amendment will not result in a material impact on the Group or Company's financial statements.

4. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)

(續)

(a) 僅對呈列及披露構成影響之新訂及經修訂國際財務報告準則(續)

(iv) 國際會計準則第27號(二零零八年經修訂)綜合及獨立財務報告(續)

於過往年度，於國際財務報告準則並無特定規定之情況下，於現有附屬公司之權益增加，按收購附屬公司之同一方式處理，商譽或購買優惠於合適情況確認入賬。於現有附屬公司之權益減少方面，已收代價與應佔該售出，資產淨值賬面值之差額於損益確認，而不考慮出售會否導致本集團失去對附屬公司之控制權。

根據國際會計準則第27號(二零零八年)，於附屬公司擁有權益之增加或減少(不會導致本集團失去對附屬公司之控制權)於權益中處理並歸屬於母公司擁有人，對商譽或損益並無影響。倘因交易、事件或其他情況導致失去對附屬公司之控制權，國際會計準則第27號(二零零八年)規定本集團終止確認所有資產、負債及非控制權益之賬面值。於前附屬公司之任何保留權益於失去控制權當日按其公平值確認，所得出盈虧則於損益確認。

採納該經修訂準則對財務報告並無任何影響。

(v) 國際財務報告準則第38號(修訂)無形資產

有關修訂為國際會計準則委員會於二零零九年四月刊發之年度改進項目部分，本集團及本公司於國際財務報告準則第3號(二零零八年經修訂)業務合併採納日期同時應用國際財務報告準則第38號(修訂)。有關修訂澄清計量業務合併所收購無形資產公平值之指引(且如各項資產之經濟使用年期相近)，則准許無形資產歸類為單一資產。有關修訂將不會對本集團或本公司之財務報告有任何重大影響。

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4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (Continued)

(b) New and revised IFRS affecting the financial performance and/or financial position

IFRS 3 (revised in 2008) Business Combinations

IFRS 3 (2008) has been adopted in advance of its effective date (business combinations for which the acquisition date is on or after the beginning of the annual period beginning on or after 1 July 2009. Specifically, IFRS 3 (2008) has been applied prospectively to business combinations for which the acquisition date is on or after 1 April 2009 in accordance with the relevant transitional provisions. The adoption of IFRS 3 (2008) has affected the accounting for business combinations in the current year.

The impact of the adoption of IFRS 3 (2008) has been:

- to allow a choice on a transaction-by-transaction basis for the measurement of non-controlling interests (previously referred to as 'minority' interests) either at fair value or at the non-controlling interests' share of the identifiable net assets of the acquiree. In the current year, in accounting for the acquisition of Amplewell, the Group has elected to measure the non-controlling interests at the non-controlling interests' share of the identifiable net assets at the date of acquisition;
- to change the recognition and subsequent accounting requirements for contingent consideration. Under the previous version of the Standard, contingent consideration was recognised at the acquisition date only if payment of the contingent consideration was probable and it could be measured reliably; any subsequent adjustments to the contingent consideration were recognised against goodwill. Under the revised Standard, contingent consideration is measured at fair value at the acquisition date; subsequent adjustments to the consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

4. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)

(續)

(b) 對財務業績及／或財務狀況構成影響之新訂及經修訂國際財務報告準則

國際財務報告準則第3號(二零零八年經修訂)業務合併

國際財務報告準則第3號(二零零八年)已於其生效日期(就業務合併而言,收購日期為於二零零九年七月一日或之後開始之年度期間開始當日或之後)前獲採納。尤其是,國際財務報告準則第3號(二零零八年)已根據有關過渡條文,就收購日期為二零零九年四月一日或之後之業務合併預期應用。採納國際財務報告準則第3號(二零零八年)並無影響本年度及過往年度之業務合併入賬情況。

採納國際財務報告準則第3號(二零零八年)之影響為:

- 容許選擇按個別交易基準計量非控制權益(前稱「少數股東」權益),以公平值或以非控制權益分佔被收購公司之可識別資產淨值。於本年度,計算沛源之收購時,本集團選擇根據非控制權益應佔收購日期可識別資產淨值之計算非控制權益;
- 改變或然代價之確認及其後之會計要求。根據準則之舊有版本,或然代價僅可於有可能支付或然代價且其金額能被可靠地計量時,方於收購日期確認;其後對或然代價之調整乃於商譽確認。根據經修改準則,或然代價按於收購日期之公平值計量,其後對代價之調整於「計量期間」(最長為收購日期起12個月)內,取得源自有關於收購日期之公平價值之最新資料,方可於商譽確認。所有其他對分類資產或負債之或然代價往後調整均於損益確認;

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4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (Continued)

(b) New and revised IFRS affecting the financial performance and/or financial position (Continued)

IFRS 3 (revised in 2008) Business Combinations (Continued)

- where the business combination in effect settles a pre-existing relationship between the Group and the acquiree, to require the recognition of a settlement gain or loss; and
- to require acquisition-related costs to be accounted for separately from the business combination, generally leading to those costs being recognised as an expense in profit or loss as incurred, whereas previously they were accounted for as part of the cost of acquisition.

In the current year, these changes in policies have affected the accounting for the acquisition of Amplewell, as follows:

4. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)

(續)

(b) 對財務業績及／或財務狀況構成影響之新訂及經修訂國際財務報告準則(續)

國際財務報告準則第3號(二零零八年經修訂)業務合併(續)

- 若本集團與被收購公司之固有關係因業務合併而實際上結清，需確認該結清收益或虧損；及
- 要求收購相關成本與業務合併分別入賬，一般致使成本於發生時按開支於損益確認，而以往則入賬列作部分收購成本。

於本年度，以上政策變動對收購沛源之會計處理方法所產生影響如下：

2010
二零一零年
HK\$'000
港幣千元

(i) Consolidated income statement – Acquisition-related costs expensed when incurred charged to consolidated income statement leading to a decrease in profit for the year as a result of the adoption of IFRS 3 (2008)	(i) 綜合收益表 – 採納國際財務報告準則第3號(二零零八年)引致年度溢利減少而於綜合收益表支銷之收購相關成本	5,922
(ii) Consolidated statement of financial position – Acquisition-related costs expensed when incurred leading to additional goodwill recognised as a result of the adoption of IFRS 3 (2008)	(ii) 綜合財務狀況表 – 採納國際財務報告準則第3號(二零零八年)引致額外確認商譽時支銷之收購相關成本	5,922

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

In the process of applying the Group's accounting policies which are described in note 3, management has made certain key assumptions concerning the future, and other key sources of estimated uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, as described below.

(a) *Property, plant and equipment and depreciation*

The Group management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(b) *Impairment of trade and other receivables*

The Group tests annually whether assets have suffered any impairment. The recoverable amounts of cash-generating units have been determined on the value in use calculation. These calculations require use of estimate.

5. 會計估計及判斷

估計不明朗因素之主要來源

於應用附註3所述本集團會計政策時，管理層已就未來情況作出若干主要假設，而下文載述於結算日估計尚存在不明朗因素之其他主要來源，有關來源可能存在導致資產與負債賬面值於下一個財政年度須作出重大調整之重大風險。

(a) *物業、廠房及設備以及折舊*

本集團之管理層決定其物業、廠房及設備之估計可使用年期及相關折舊開支。此估計乃根據在性質及功能相近的物業、廠房及設備之實際可使用年期方面的以往經驗而定。技術創新及競爭對手因應嚴重行業週期而採取之行動可能使估計有重大改變。倘可使用年期少於先前估計的年期，管理層將增加折舊開支；管理層亦可能將已棄置或出售而技術上屬陳舊之資產或非策略資產予以撤銷或撤減。

(b) *應收貿易款項及其他應收款項減值*

本集團每年進行檢測以瞭解資產有否出現減值。現金產生單位之可收回金額已按使用價值法釐定。此等計算方法需要作出估計。

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

Key Sources of Estimation Uncertainty (Continued)

(c) Write-down of inventories

Inventories are written down to net realisable value based on an assessment of the realisability of inventories. Write-down of inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgements and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying amount of inventories and write-down of inventories in the periods in which such estimate has been changed.

(d) Impairment of goodwill

The Group performs annual tests on whether there has been impairment of goodwill in accordance with the accounting policy stated in note 3(i). The recoverable amounts of cash-generating units are determined based on value in use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value in use calculations.

(e) Amortisation of intangible assets

Intangible assets are amortised on a straight-line basis over their estimated useful lives. The determination of the useful lives involves management's estimation. The Group reassesses the useful life of the intangible assets and if the expectation differs from the original estimate, such a difference may impact the amortisation in the years and the estimate will be changed in the future period.

(f) Fair value of buildings held for own use

Buildings held for own use are carried in the consolidated statement of financial position at their fair value. The fair value was based on a valuation on the buildings carried out by an independent professional valuer using property valuation techniques which involve certain assumptions of market conditions. Favourable or unfavourable changes to those assumptions would result in changes in the fair value of the Group's building held for own use and corresponding adjustments to the amount of gain or loss reported in the property revaluation reserve.

5. 會計估計及判斷(續)

估計不明朗因素之主要來源(續)

(c) 存貨之撇減

存貨乃根據存貨之可變現能力的評估而撇減至可變現淨值。倘發生事件或情況有變而顯示金額可能無法變現時，則會作出存貨之撇減。撇減之識別需要使用判斷及估計。倘若預期與原先估計有別，差額將影響有關估計更改期間存貨之賬面值及存貨之撇減。

(d) 商譽減值

本集團每年根據附註3(i)所載會計政策進行檢測，以瞭解商譽有否減值。現金產生單位之可收回金額乃根據使用價值計算法釐定。進行計算時，管理層需要對業務之未來營運情況、稅前貼現率作出估計及假設，並使用有關使用價值計算法之其他假設。

(e) 無形資產攤銷

無形資產以直線法於估計可使用年期攤銷。釐定可使用年期涉及管理層之估計。本集團重新評估無形資產之可使用年期，若預期有別於原先估計，有關差額可能影響年內攤銷，而估計將於未來期間更改。

(f) 持作自用樓宇之公平值

持作自用樓宇按其公平值於綜合財務狀況表列賬。該公平值乃根據獨立專業估值師採用物業估值方法(當中涉及對市況作出若干假設)對有關樓宇進行之估值釐定。對於此等假設之有利或不利變動將導致本集團持作自用樓宇之公平值有所變動，並須對在物業重估儲備內呈報之盈虧金額作出相應調整。

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5. ACCOUNTING ESTIMATES AND JUDGEMENTS

(Continued)

Key Sources of Estimation Uncertainty (Continued)

(g) *Income tax*

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that are initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(h) *Fair values of biological assets*

Management estimates at the end of the reporting period the current market prices less estimated point-of-sale costs of biological assets with reference to market prices and professional valuations. Unanticipated volatile changes in market prices of the underlying agricultural produce could significantly affect the fair values of these biological assets and result in fair value re-measurement losses in future accounting periods.

The Group's forestry business is subject to the usual agricultural hazards from fire, wind and insects. Forces of nature such as temperature and rainfall may also affect harvest efficiency. Management considers adequate preventive measures are in place and the relevant legislation under forestry laws in Brazil will assist in minimising exposure. Nevertheless, to the extent that unanticipated factors affecting harvestable agricultural produce may result in re-measurement or losses in future accounting periods.

5. 會計估計及判斷(續)

估計不明朗因素之主要來源(續)

(g) *所得稅*

本集團須支付多個司法權區之所得稅。就所得稅釐訂全球撥備時須作出重大判斷。若干交易之最終稅項及釐訂有關稅項之計算方法於一般業務中仍存在不明朗因素。本集團按照額外稅項是否到期之估計，就預期稅務審核事宜確認負債。倘此等事宜之最終稅項有別於初步記錄之金額，則有關差額對釐訂有關稅項期間之所得稅及遞延稅項撥備構成影響。

(h) *生物資產公平值*

管理層於各結算日參照市價及專業估值對當前市價減生物資產之估計銷售點成本進行估計。相關農產品之市價出現之意外波動變化，可能會對該等生物資產之公平值產生重大影響，並導致未來會計期間出現公平值重估虧損。

本集團林業業務受一般農業災禍影響，如火災、風災及蟲禍。氣溫及降雨量等天然因素亦可能對砍伐構成影響。管理層認為，現已實施足夠預防措施，巴西亦有相關林業法例協助將風險減至最低。然而，影響農作物收成之不可預計因素可能導致未來會計期間重新計量有關金額或錄得虧損。

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6. SEGMENT REPORTING

The Group manages its businesses by business lines. On first-time adoption of IFRS 8 “Operating Segments” and in a manner consistent with the way in which information is reported internally to the Group’s most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments:

Continuing Operations

Tree felling service: provision of tree felling and clearing services.

Sustainable forest management: Sustainable management of and investment in natural forests, timber and wood processing, timber trading and timber sales and marketing.

Discontinued Operations

Building materials: the construction work of building and construction project of building material.

Real estate: the development and sale of commercial premises and residential properties.

Chita forests operation: logging, timber and wood processing, timber trading and timber sales and marketing.

In accordance with IFRS 8, segment information disclosed in this consolidated financial statements has been prepared in a manner consistent with the information used by the Group’s most senior executive management for the purposes of assessing segment performance and allocating resources among segments. In this regard, the Group’s senior executive management monitors the results and assets attributable to each reportable segment on the following bases:

Segment assets include non-current assets and current assets with the exception of certain assets unallocated to an individual reportable segment.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

The reportable segment profit represents the profit from each segment which excluded those items not specifically attributed to an individual reportable segment, such as corporate administrative expenses. To arrive at reportable segment profit, the management additionally provided the segment information concerning interest income, finance costs and major non-cash items such as depreciation, amortisation and impairment losses derived from reportable segments.

6. 分部報告

本集團按業務分類管理其業務。於首次採納國際財務報告準則第8號「經營分部」，並就以資源分配及表現評估向本集團最高行政管理人員內部報告資料一致之方式呈報，本集團已識別下列可報告分部：

持續經營業務

伐木服務：提供伐木及清理服務。

可持續森林管理：天然森林之可持續管理及投資、木材及木料加工、木材貿易及木材銷售與市場推廣。

已終止業務

建材：樓宇建築工程及建材建設項目。

房地產：發展及銷售商業物業及住宅物業。

赤塔森林業務：伐木、木材及木料加工、木材貿易以及木材銷售與市場推廣。

根據國際財務報告準則第8號，於本綜合財務報告披露之分部資料乃以與本集團最高行政管理人員就評估分部表現及於分部間分配資源所用資料一致之方式編製。就此，本集團之高級行政管理人員會按下列基準監察各可報告分部之業績及應佔資產：

分部資產包括非流動資產及流動資產，但不包括未獲分配至獨立可報告分部的若干資產。

收入及開支乃參考來自該等分部的銷售及該等分部所產生開支，分配至可報告分部。

可報告分部溢利乃各分部之溢利，不包括該等並非獨立可報告分部特別應佔之項目，如企業行政開支。為得出可報告分部溢利，管理層額外提供有關來自可報告分部之利息收入、融資費用及主要非現金項目之分部資料，如折舊、攤銷及減值虧損。

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6. SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities

An analysis of the Group's reportable segment is reported below:

6. 分部報告(續)

(a) 分部業績、資產及負債

本集團所呈報可報告分部之分析如下：

		2010 二零一零年							
		Continuing operations 持續經營業務			Discontinued operations 已終止業務				
		Sustainable Tree forest felling service 伐木服務		Sub-total 小計	Chita forests operation 赤塔 森林業務		Sub-total 小計	Total 總計	
		management 森林管理	HK\$'000 港幣千元		Building materials 建材	Real estate 房地產			HK\$'000 港幣千元
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Segment revenue	分部收入								
Revenue from external customers	外界客戶之收入	237,073	25,990	263,063	77,381	123	2,013	79,517	342,580
Reportable segment profit/(loss) before tax	除稅前可報告分部溢利/ (虧損)	117,842	341,398	459,240	1,076	(442)	(13,126)	(12,492)	446,748
Change in fair value of biological assets less estimated point-of-sale costs	生物資產減估計銷售點 成本之 公平值變動	-	369,980	369,980	-	-	-	-	369,980
Depreciation	折舊	-	(306)	(306)	(49)	(46)	(2,201)	(2,296)	(2,602)
Written off of other receivables	撇銷其他應收款項	-	(137)	(137)	-	-	-	-	(137)
Write-down of inventories	撇減存貨	-	-	-	-	(206)	-	(206)	(206)
Amortisation of land lease payment	土地租賃權費攤銷	-	-	-	-	(3)	-	(3)	(3)
Amortisation of intangible assets	無形資產攤銷	-	-	-	-	-	(6,540)	(6,540)	(6,540)
Interest income	利息收入	-	924	924	-	5	-	5	929
Interest expense	利息費用	-	(4,489)	(4,489)	(41)	-	(666)	(707)	(5,196)
Reportable segment assets	可報告分部資產	235,441	2,776,116	3,011,557	-	-	303,036	303,036	3,314,593
Additions to non-current segment assets	非流動分部資產添置	-	4,951	4,951	15	-	1,881	1,896	6,847
Reportable segment liabilities	可報告分部負債	90,272	299,692	389,964	-	-	98,923	98,923	488,887

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6. SEGMENT REPORTING (Continued)

(a) Segment results, assets and liabilities (Continued)

6. 分部報告(續)

(a) 分部業績、資產及負債(續)

		2009 二零零九年				
		Discontinued operations 已終止業務				
		Building materials 建材 HK\$'000 港幣千元	Real estate 房地產 HK\$'000 港幣千元	Mining 採礦 HK\$'000 港幣千元	Home appliance 家庭電器 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Segment revenue	分部收入					
Revenue from external customers	外界客戶之收入	162,641	5,054	10,366	–	178,061
Reportable segment profit/(loss) before tax	除稅前可報告分部溢利/(虧損)	3,653	(13,780)	(93,907)	1	(104,033)
Impairment of trade receivables	應收貿易款項減值	–	–	(899)	–	(899)
Depreciation	折舊	(37)	(88)	(83)	–	(208)
Write-down of inventories	撇減存貨	–	(10,356)	–	–	(10,356)
Amortisation of intangible assets	無形資產攤銷	–	–	(95,303)	–	(95,303)
Amortisation of land lease premium	土地租賃權費攤銷	–	(5)	–	–	(5)
Interest income	利息收入	–	17	–	–	17
Interest expense	利息開支	(377)	–	–	–	(377)
Reportable segment assets	可報告分部資產	48,549	51,867	–	–	100,416
Additions to non-current segment assets	非流動分部資產添置	90	83	22	–	195
Reportable segment liabilities	可報告分部負債	24,830	9,423	–	–	34,253

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6. SEGMENT REPORTING (Continued)

(b) Reconciliations of reportable segment profit or loss, assets and liabilities and other items:

(i) Profit

	Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Reportable segment profit before tax	可報告分部之除稅前溢利	459,240	-
Unallocated corporate income	未分配企業收入	283	1,491
Depreciation and amortisation	折舊及攤銷	(345)	(357)
Unallocated corporate expenses	未分配企業開支	(21,585)	(15,282)
Gain on extinguishment of convertible note	註銷可換股票據之收益	-	204,831
Gain on extinguishment of promissory note	註銷承付票據之收益	-	88,090
Unallocated interest income	未分配利息收入	33	1,141
Unallocated interest expense	未分配利息開支	(7,423)	(62,921)
Profit before taxation (continuing operations)	除稅前溢利(持續經營業務)	430,203	216,993

(ii) Assets

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Segment assets for reportable segments from continuing operations	持續經營業務可報告分部之分部資產	3,011,557	-
Segment assets from discontinued operations	已終止業務之分部資產	303,036	100,416
	30	3,314,593	100,416
Unallocated: - Unallocated corporate assets	未分配: - 未分配企業資產	23,643	137,544
Total assets per consolidated statement of financial position	綜合財務狀況表所呈列資產總值	3,338,236	237,960

6. 分部報告(續)

(b) 可報告分部溢利或虧損、資產及負債及其他項目之對賬：

(i) 溢利

(ii) 資產

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6. SEGMENT REPORTING (Continued)

(b) Reconciliations of reportable segment profit or loss, assets and liabilities and other items: (Continued)

(iii) Liabilities

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Segment liabilities for reportable segments from continuing operations	持續經營業務可報告分部之分部負債	389,964	—
Segment liabilities for reportable segments from discontinued operations	已終止業務可報告分部之分部負債	98,923	33,176
		488,887	33,176
Unallocated:	未分配：		
– Provision for taxation	– 稅項撥備	7,354	1,077
– Deferred tax liabilities	– 遞延稅項負債	309,187	—
– Unallocated corporate liabilities	– 未分配企業負債	26,178	23,365
Total liabilities per consolidated statement of financial position	綜合財務狀況表所呈列負債總額	831,606	57,618

(iv) Other material items

(iv) 其他重要項目

		Continuing operations 持續經營業務				Discontinued operations 已終止業務						
		Sustainable Tree felling service 可持續 伐木服務	forest management 森林管理	Unallocated 未分配	Sub-total 小計	Building materials 建材	Real estate 房地產	Chita forests operation 赤塔 森林業務	Mining 採礦	Unallocated 未分配	Sub-total 小計	Total 總計
2010 二零一零年												
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation	折舊	—	306	345	651	49	46	2,201	—	—	2,296	2,947
Interest income	利息收入	—	924	33	957	—	5	—	—	—	5	962
Interest expense	利息開支	—	4,489	7,423	11,912	41	—	666	—	—	707	12,619
2009 二零零九年												
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation	折舊	—	—	357	357	37	88	—	83	—	208	565
Interest income	利息收入	—	—	1,141	1,141	—	17	—	—	—	17	1,158
Interest expense	利息開支	—	—	62,921	62,921	377	—	—	—	—	377	63,298

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6. SEGMENT REPORTING (Continued)

(c) Revenue from major product and services:

6. 分部報告(續)

(c) 來自主要產品及服務之收益：

	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
Tree felling service income 伐木服務收入	237,073	-	-	-	237,073	-
Sales of timber and wood products 出售木材及木料產品	25,990	-	1,637	-	27,627	-
Revenue from construction contracts 建築合約收入	-	-	77,381	155,884	77,381	155,884
Service fee income 服務費收入	-	-	376	-	376	-
Sales of properties 出售物業	-	-	123	5,054	123	5,054
Sales of magnesium ore 出售菱鎂礦石	-	-	-	10,366	-	10,366
Sales of building materials 出售建材	-	-	-	6,757	-	6,757
	263,063	-	79,517	178,061	342,580	178,061

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6. SEGMENT REPORTING (Continued)

Geographical information

The following is an analysis of geographical location of (i) the Group's revenue from external customers and (ii) the Group's non-current assets. The geographical location of customers is refers to the location at which the services were provided or the goods delivered. The Group's non-current assets include property, plant and equipment, biological assets, intangible assets and goodwill. The geographical location of property, plant and equipment and biological assets is based on the physical location of the asset under consideration. In the case of intangible assets and goodwill, the allocation is based on the location of operation.

6. 分部報告(續)

地區資料

以下為(i)本集團來自外界客戶之收入；及(ii)本集團非流動資產之地區分析。客戶地區指提供服務或付運貨品之地區。本集團之非流動資產包括物業、廠房及設備、生物資產、無形資產及商譽。物業、廠房及設備之地區為所考慮資產本身位處之地點。無形資產及商譽按所屬營運地區分配。

		Revenue from external customers		Non-current assets	
		外界客戶之收入		非流動資產	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Continuing operations	持續經營業務				
Europe	歐洲	9,743	—	—	—
North America	北美洲	3,505	—	—	—
South America	南美洲	237,803	—	2,729,208	—
Asia Pacific (other than Hong Kong)	亞太區(不包括香港)	10,542	—	110	—
Hong Kong (place of domicile)	香港(營業地點)	1,470	—	1,722	—
		263,063	—	2,731,040	—
Discontinued operations	已終止業務				
Asia Pacific (other than Hong Kong)	亞太區(不包括香港)	57,541	178,061	—	17,236
Hong Kong (place of domicile)	香港(營業地點)	21,976	—	—	—
		79,517	178,061	—	17,236
		342,580	178,061	2,731,040	17,236

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6. SEGMENT REPORTING (Continued)

Information about major customers

Revenues from customers contributing 10% or more of the total turnover of the Group are as follows:

6. 分部報告(續)

有關主要客戶之資料

來自為本集團總銷售額貢獻10%或以上之客戶之收入如下：

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Customer A – revenue from tree felling service – Brazil	客戶A—來自伐木服務之收入—巴西	237,073	–
Discontinued operations	已終止業務		
Customer B – revenue from building materials – Macau	客戶B—來自建材之收入—澳門	53,162	53,216
Customer C – revenue from building materials – Hong Kong	客戶C—來自建材之收入—香港	15,010	18,031
Customer D – revenue from building materials – Hong Kong	客戶D—來自建材之收入—香港	5,650	30,729
Customer E – revenue from building materials – Hong Kong	客戶E—來自建材之收入—香港	–	48,436

7. REVENUE

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts and revenue from tree felling services, construction contracts and other services.

An analysis of revenue is as follows:

7. 收入

收入指經扣除退貨及商業折扣備抵後出售貨品之發票淨值以及伐木服務、建築合約及其他服務之收入。

收入分析如下：

		Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
Tree felling service income	伐木服務收入	237,073	–	–	–	237,073	–
Sales of timber and wood products	出售木材及木料產品	25,990	–	1,637	–	27,627	–
Revenue from construction contracts	建築合約收入	–	–	77,381	155,884	77,381	155,884
Service fee income	服務費收入	–	–	376	–	376	–
Sales of properties	出售物業	–	–	123	5,054	123	5,054
Sales of magnesium ore	出售菱鎂礦石	–	–	–	10,366	–	10,366
Sales of building materials	出售建材	–	–	–	6,757	–	6,757
		263,063	–	79,517	178,061	342,580	178,061

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8. OTHER INCOME AND OTHER NET GAIN

8. 其他收入及其他收益淨額

	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
Other income						
Rental income	270	-	171	-	441	-
Others	3,819	1,491	5,936	1,562	9,755	3,053
	4,089	1,491	6,107	1,562	10,196	3,053
Other net gain						
Net exchange gain	233	-	2,499	4	2,732	4
Gain on disposal of a subsidiary	-	-	-	782	-	782
	233	-	2,499	786	2,732	786

9. OTHER OPERATING EXPENSES

9. 其他營運開支

	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
Acquisition of subsidiaries related costs	5,922	-	-	-	5,922	-
Written off of other receivables	137	-	-	-	137	-
Loss on disposal of property, plant and equipment	-	230	7	-	7	230
Amortisation of intangible assets	-	-	-	95,303	-	95,303
Write-down of inventories	-	-	206	10,356	206	10,356
	6,059	230	213	105,659	6,272	105,889

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10. PROFIT FROM OPERATIONS

The Group's profit from operations is arrived at after charging/(crediting):

10. 經營業務溢利

本集團經營業務溢利乃經扣除/(計入)下列各項後得出：

	Note 附註	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
(a) Net finance costs	(a) 融資費用淨額						
Finance income	融資收入	(957)	(1,141)	(5)	(17)	(962)	(1,158)
Finance costs	融資費用						
Interest on bank and other borrowings wholly repayable within five years	須於五年內悉數償還銀行及其他借貸之利息	32	–	707	313	739	313
Interest on convertible note	可換股票據之利息	–	45,963	–	–	–	45,963
Interest on promissory note	承付票據之利息	7,423	16,951	–	–	7,423	16,951
Interest on amounts due to shareholders	應付股東款項之利息	2,638	–	–	–	2,638	–
Interest on amounts due to related parties	應付關連公司款項之利息	1,819	–	–	64	1,819	64
Finance charges on obligations under finance leases	融資租約承擔之融資開支	–	7	–	–	–	7
Total interest expenses on financial liabilities not at fair value through profit or loss	並非按公平值計入損益賬之財務負債的利息開支總額	11,912	62,921	707	377	12,619	63,298
		10,955	61,780	702	360	11,657	62,140
(b) Staff costs	(b) 僱員成本						
Salaries, wages and other benefits	薪金、工資及其他福利	18,068	5,637	3,101	3,204	21,169	8,841
Pension scheme contributions	公積金計劃供款	136	119	23	68	159	187
Equity-settled share-based payment expenses	以股權結算以股份支付開支	2,157	–	–	–	2,157	–
		20,361	5,756	3,124	3,272	23,485	9,028

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10. PROFIT FROM OPERATIONS (Continued)

10. 經營業務溢利(續)

	Note 附註	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
(c) Other items	(c) 其他項目						
Cost of inventories sold*	已售出之存貨 成本*	26,835	–	6,601	13,487	33,436	13,487
Depreciation	折舊	556	357	388	208	944	565
Amortisation of land lease premium	土地租賃權費 攤銷	–	–	3	5	3	5
Amortisation of intangible assets	無形資產攤銷	–	–	6,540	95,303	6,540	95,303
Minimum lease payments under operating leases for land and buildings (including directors' quarters)	土地及樓宇 (包括董事 宿舍)經營 租約之最低 租金	1,882	1,780	647	480	2,529	2,260
Auditor's remuneration	核數師酬金						
– audit services	– 審核服務	1,295	830	784	200	2,079	1,030
– other services	– 其他服務	653	–	–	1,405	653	1,405
Impairment losses on trade receivables	應收貿易款項 之減值虧損	–	–	–	899	–	899
Written off of other receivables	撇銷其他應收 款項	137	–	–	–	137	–

* Cost of inventories sold includes depreciation of HK\$2,003,000 (2009: HK\$Nil) and staff costs of HK\$6,436,000 (2009: HK\$Nil), the amount of which is also included in the respective total amounts disclosed separately above.

* 已售出之存貨成本包括折舊港幣2,003,000元(二零零九年:港幣零元)及員工成本港幣6,436,000元(二零零九年:港幣零元),有關款項亦已包括在上文分別披露之各總額當中。

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11. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to Section 161 of the Hong Kong Companies Ordinance is as follows:

11. 董事酬金

根據香港公司條例第161條披露之董事酬金如下：

		2010 二零一零年				
		Salaries and other benefits	Retirement scheme contributions	Share- based payments	Total	
		Fees	薪金及 其他福利	退休金 計劃供款	以股份支付	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Executive directors	執行董事					
Leung Chau Ping, Paul (Appointed on 21 August 2009)	梁秋平(於二零零九年 八月二十一日獲委任)	-	589	7	787	1,383
Chiu Raymond Yim (Appointed on 23 November 2009)	趙炎仁(於二零零九年 十一月二十三日獲委任)	-	519	7	197	723
Leandro Dos Martires Guerra (Appointed on 20 January 2010)	Leandro Dos Martires Guerra(於二零一零年 一月二十日獲委任)	-	1,424	-	197	1,621
Teoh Tean Chai, Anthony (Resigned on 21 August 2009)	張展才(於二零零九年 八月二十一日辭任)	-	400	5	-	405
Chung Oi Ling, Stella (Resigned on 5 November 2009)	鍾愛玲(於二零零九年 十一月五日辭任)	-	280	7	-	287
		-	3,212	26	1,181	4,419
Independent non-executive directors	獨立非執行董事					
Chu Kin Wang, Peleus	朱健宏	100	-	-	-	100
Leung Siu Hung, Joel (Appointed on 21 August 2009)	梁紹雄(於二零零九年 八月二十一日獲委任)	61	-	-	-	61
John Tewksbury Banigan (Appointed on 23 November 2009)	John Tewksbury Banigan (於二零零九年十一月 二十三日獲委任)	30	-	-	79	109
Lo Chi Ho, William (Resigned on 21 August 2009)	駱志浩先生(於二零零九年 八月二十一日辭任)	42	-	-	-	42
Lau Wa Chun (Resigned on 4 December 2009)	劉華珍(於二零零九年 十二月四日辭任)	67	-	-	-	67
		300	-	-	79	379
		300	3,212	26	1,260	4,798

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11. DIRECTORS' REMUNERATION (Continued)

11. 董事酬金(續)

		2009 二零零九年				
		Salaries and other benefits	Retirement scheme contributions	Share- based payment	Total	
		Fees	Retirement scheme contributions	Share- based payment	Total	
		袍金	退休金 計劃供款	以股份支付	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		港幣千元	港幣千元	港幣千元	港幣千元	
Executive directors	執行董事					
Cheng Tun Nei (Resigned on 30 July 2008)	鄭盾尼(於二零零八年 七月三十日辭任)	-	400	6	-	406
Chung Oi Ling, Stella (Resigned on 5 November 2009)	鍾愛玲(於二零零九年 十一月五日辭任)	-	480	12	-	492
Teoh Tean Chai, Anthony (Resigned on 21 August 2009)	張展才(於二零零九年 八月二十一日辭任)	-	960	12	-	972
		-	1,840	30	-	1,870
Non-executive directors	非執行董事					
Li Wa Hei (Resigned on 30 July 2009)	李華熙(於二零零九年 七月三十日辭任)	33	-	-	-	33
Independent non-executive directors	獨立非執行董事					
Chu Kin Wang, Peleus	朱健宏	100	-	-	-	100
Lo Chi Ho, William (Resigned on 21 August 2009)	駱志浩(於二零零九年 八月二十一日辭任)	100	-	-	-	100
Wu Chi Chiu (Resigned on 27 August 2009)	胡志釗(於二零零九年 八月二十七日辭任)	42	-	-	-	42
Lau Wa Chun (Appointed on 27 August 2008 and Resigned on 4 December 2009)	劉華珍(於二零零八年 八月二十七日獲委任， 並於二零零九年 十二月四日辭任)	58	-	-	-	58
		300	-	-	-	300
		333	1,840	30	-	2,203

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12. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The five highest paid individuals during the years included three (2009: three) directors, details of whose remuneration are set out in note 11 above. Details of the emoluments of the remaining two (2009: two) non-director, highest paid individuals were as follows:

		The Group 本集團	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	1,157	1,680
Retirement scheme contributions	退休計劃供款	14	24
Share-based payments	以股份支付	569	-
		1,740	1,704

The remuneration of the non-director, highest paid individuals fell within the following bands:

12. 最高薪僱員

年內，五名最高薪僱員包括三名(二零零九年：三名)董事，有關彼等之酬金詳情載於上文附註11。餘下兩名(二零零九年：兩名)最高薪非董事僱員之酬金詳情如下：

最高薪非董事僱員之酬金介乎以下範圍：

		Number of individuals 僱員數目	
		2010 二零一零年	2009 二零零九年
Nil to HK\$1,000,000	零至港幣1,000,000元	1	2
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	1	-
		2	2

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13. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Income tax in the consolidated income statement represents:

	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
Current tax						
– Hong Kong Profit Tax						
– Provision for the year	7,354	16	-	(7)	7,354	9
– Over provision in respect of previous years	-	-	-	(930)	-	(930)
	7,354	16	-	(937)	7,354	(921)
Current tax – Overseas						
– Provision for the year	-	-	-	1,796	-	1,796
– Over provision in respect of previous years	-	-	(742)	(316)	(742)	(316)
	-	-	(742)	1,480	(742)	1,480
Deferred tax						
– Origination and (reversal) of temporary differences	125,479	-	(1,191)	(3,522)	124,288	(3,522)
– Attributable to a change in tax rate	-	-	-	(2,622)	-	(2,622)
	125,479	-	(1,191)	(6,144)	124,288	(6,144)
	132,833	16	(1,933)	(5,601)	130,900	(5,585)

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) of the estimated assessable profits arising in Hong Kong.

Brazil income tax has been provided at the rate of 34% of the estimated assessable profits arising in Brazil.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

香港利得稅根據於香港產生之估計應課稅溢利按稅率16.5%(二零零九年: 16.5%)計提撥備。

巴西所得稅根據於巴西產生之估計應課稅溢利按稅率34%計提撥備。

於其他司法權區產生之稅項按相關司法權區之適用稅率計算。

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13. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (Continued)

(b) Reconciliation between tax expense/(credit) and accounting profit/(loss) at applicable tax rates:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
Profit before taxation	除稅前溢利		
– Continuing operations	– 持續經營業務	430,203	216,993
– Discontinued operations (note 14)	– 已終止業務(附註14)	(24,960)	(255,318)
		405,243	(38,325)
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	按有關國家適用於溢利之稅率計算之除稅前溢利之名義稅項	139,588	8,758
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(1,636)	(48,562)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	2,329	34,139
Tax effect of unused tax losses not recognised	未確認未動用稅務虧損之稅務影響	1,310	3,913
Over provision in prior year	過往年度超額撥備	(742)	(1,246)
Utilization of previously unrecognised tax losses	動用過往未確認稅項虧損	(9,949)	–
Tax effect of change in tax rate	稅率變動之稅務影響	–	(2,622)
Unrecognised temporary difference	未確認暫時差額	–	35
Actual tax expense/(credit)	實際稅項開支/(抵免)	130,900	(5,585)

13. 綜合收益表之所得稅(續)

(b) 採用適用稅率計算之稅項開支/(抵免)開支與會計溢利/(虧損)之對賬:

(c) Tax effect relating to each component of other comprehensive income

(c) 其他全面收入各組成部分之稅務影響

	2010 二零一零年			2009 二零零九年		
	Before tax amount 除稅前數額 HK\$'000 港幣千元	Tax (expenses)/benefit 稅項(開支)/優惠 HK\$'000 港幣千元	Net-of-tax amount 扣除稅項後數額 HK\$'000 港幣千元	Before tax amount 除稅前數額 HK\$'000 港幣千元	Tax (expenses)/benefit 稅項(開支)/優惠 HK\$'000 港幣千元	Net-of-tax amount 扣除稅項後數額 HK\$'000 港幣千元
Exchange difference on translation of financial statements of overseas subsidiaries	792	–	792	486	–	486
Reclassification adjustment for exchange difference relating to disposal of overseas subsidiaries	(3,185)	–	(3,185)	–	–	–
Gain on valuation of buildings	–	–	–	52	–	52
	(2,393)	–	(2,393)	538	–	538

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14. DISCONTINUED OPERATIONS

(a) For the year ended 31 March 2010

- (i) On 1 August 2009, Anex Properties Holdings Limited, a wholly owned subsidiary of the Company, entered into an agreement with Mr. Tse Chun Fai, an independent third party, to dispose of its entire equity interest in Joyful Rise Investments Limited and Beijing Joyful Rise Investment Consulting Company Limited (collectively “Joyful Rise Group”) for a consideration of HK\$1. Joyful Rise Group was principally engaged in the real estate business. The disposal was completed on 1 August 2009.
- (ii) On 22 September 2009, the Company entered into a sale and purchase agreement with Mr. Goh Ee Bin, an independent third party, to dispose of the entire equity interest in Leadprime Limited and its subsidiaries, Anex Properties Holdings Limited and Ancen Properties Limited, (collectively “Leadprime Group”) for a consideration of HK\$18,182,000. Leadprime Group was principally engaged in the real estate business. The disposal was completed on 30 September 2009.
- (iii) On 15 December 2009, Anex Construction and Engineering Holdings Limited, a wholly owned subsidiary of the Company, entered into a sale and purchase agreement with United Marble Company Limited, a non-controlling shareholder of two subsidiaries, United Anex Engineering Limited and United Anex (Macau) Limited, to dispose of its entire equity interest in Anex Far East Limited and its subsidiaries (collectively “Anex Far East Group”) for a consideration of HK\$8,280,000. Anex Far East Group was principally engaged in the building materials business. The disposal was completed on 24 March 2010.
- (iv) On 31 December 2009, the Company entered into a sale and purchase agreement with Mr. Chan Tsz Kin, an independent third party, to dispose of the entire equity interest in Idealboom Group Limited and its subsidiaries, Ever Think Holdings Company Limited and Ever Think Technology Limited, (collectively “Idealboom Group”) for a cash consideration of HK\$4,000,000. Previously, Idealboom Group was principally engaged in the building materials business and it has been dormant since the financial year ended 31 March 2009. The disposal was completed on 28 February 2010.

14. 已終止業務

(a) 截至二零一零年三月三十一日止年度

- (i) 於二零零九年八月一日，本公司之全資附屬公司安歷士地產集團有限公司與獨立第三方謝春暉先生訂立協議，出售其於晉嘉投資有限公司及北京晉嘉宏采投資諮詢有限公司(統稱「晉嘉集團」)之全部股本權益，代價為港幣1元。晉嘉集團主要從事房地產業務。出售已於二零零九年八月一日完成。
- (ii) 於二零零九年九月二十二日，本公司與獨立第三方Goh Ee Bin先生訂立買賣協議，出售始領有限公司及其附屬公司安歷士地產集團有限公司及安生置業有限公司(統稱「始領集團」)全部股本權益，代價為港幣18,182,000元。始領集團主要從事房地產業務。出售已於二零零九年九月三十日完成。
- (iii) 於二零零九年十二月十五日，本公司之全資附屬公司安歷士建築工程集團有限公司與華聯雲石有限公司(兩間附屬公司華聯安歷士工程有限公司及華聯安歷士(澳門)有限公司之非控股股東)訂立買賣協議，以出售安歷士遠東有限公司及其附屬公司(統稱「安歷士遠東集團」)全部股本權益，代價為港幣8,280,000元。安歷士遠東集團主要從事建材業務。出售已於二零一零年三月二十四日完成。
- (iv) 於二零零九年十二月三十一日，本公司與獨立第三方Chan Tsz Kin先生訂立買賣協議，出售佳旺集團有限公司及其附屬公司永思控股有限公司及永思科研有限公司(統稱「佳旺集團」)全部股本權益，現金代價為港幣4,000,000元。佳旺集團過往主要從事建材業務，其自截至二零零九年三月三十一日止財政年度起暫無營業。出售已於二零一零年二月二十八日完成。

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14. DISCONTINUED OPERATIONS (Continued)

(a) For the year ended 31 March 2010 (Continued)

- (v) In February 2010, the management of the Group have commenced negotiations to dispose of the Chita forests operation in Russia. On 1 March 2010, Amplewell entered into a letter of intent with an independent third party to dispose of the Group's entire equity interest in issued share capital of a subsidiary, namely OOO "Zabaikalskaya Lesnaya Kompaniya" ("ZLK") which held 99.9% equity interest in OOO "Novoles" ("Novoles") (collectively "ZLK Group"). ZLK Group was principally engaged in forestry business in Russia.

(b) For the year ended 31 March 2009

- (i) On 15 August 2008, the Company entered into a conditional agreement with Pure Hope Development Limited ("PHL"), a substantial shareholder of the Company to dispose of the Group's entire interest in issued share capital of a subsidiary, namely Ling Kit Holding Limited which held 80% equity interest in 海城市東鑫實業有限公司 (Haicheng Dongxin Industry Limited) (collectively "Ling Kit Group") and the shareholder's loans of approximately HK\$77,564,000 due by Ling Kit Group to the Company for a consideration of approximately HK\$1,624,464,000. Ling Kit Group was engaged in the mining operation in the PRC. The Group discontinued the mining operation upon the completion of the Ling Kit Disposal on 29 December 2008.
- (ii) On 24 September 2008, the Company entered into a sale and purchase agreement with Rich Kind Investment Development Limited, an independent third party, to dispose of the entire equity interest in Anco Industrial Company Limited and its subsidiaries (collectively the "Anco Group") for a consideration of HK\$1 which shall be settled by payment in cash. The Anco Group was principally engaged in the property holding for home appliance business. The Anco Disposal was completed on 30 September 2008.

The operations of Ling Kit Group, Anco Group, Joyful Rise Group, Leadprime Group, Anex Far East Group, Idealboom Group and ZLK Group are classified as discontinued operations and the losses arising from discontinued operations are analysed as follows:

14. 已終止業務(續)

(a) 截至二零一零年三月三十一日止年度(續)

- (v) 於二零一零年二月，本集團管理層開始商討出售俄羅斯之赤塔森林業務。於二零一零年三月一日，沛源與獨立第三方訂立意向書，出售本集團於附屬公司OOO "Zabaikalskaya Lesnaya Kompaniya" ("ZLK") (其持有OOO "Novoles" ("Novoles") 99.9%股本權益，統稱「ZLK集團」)已發行股本之全部股本權益。ZLK集團主要在俄羅斯從事林業業務。

(b) 截至二零零九年三月三十一日止年度

- (i) 於二零零八年八月十五日，本公司與本公司主要股東Pure Hope Development Limited(「PHL」)訂立有條件協議，以出售本集團於附屬公司連傑控股有限公司(其持有海城市東鑫實業有限公司之80%股本權益，統稱「連傑集團」)已發行股本權益中之全部權益，連同連傑集團結欠本公司之股東貸款約港幣77,564,000元，代價約為港幣1,624,464,000元。連傑集團在中國從事採礦業務。本集團於二零零八年十二月二十九日完成連傑出售事項後終止採礦業務。
- (ii) 於二零零八年九月二十四日，本公司與獨立第三方富佳投資發展有限公司訂立買賣協議，出售Anco Industrial Company Limited及其附屬公司(統稱「Anco集團」)全部股本權益，代價為港幣1元，以現金支付。Anco集團主要為家庭電器業務持有物業。Anco出售事項已於二零零八年九月三十日完成。

連傑集團、Anco集團、晉嘉集團、始領集團、安歷士遠東集團、佳旺集團及ZLK集團之業務分類為已終止業務，而已終止業務產生之虧損分析如下：

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Loss on discontinued operations for the year	已終止業務之本年度虧損	(10,559)	(98,432)
Loss on disposal of discontinued operations (note 45)	出售已終止業務之虧損(附註45)	(12,468)	(151,285)
		(23,027)	(249,717)

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14. DISCONTINUED OPERATIONS (Continued)

The results of the discontinued operations which have been included in the consolidated income statement up to the dates of disposals are as follows:

14. 已終止業務(續)

截至出售日期止，已計入綜合收益表之已終止業務業績如下：

		2010 二零一零年			
		Building materials 建材 HK\$'000 港幣千元	Real estate 房地產 HK\$'000 港幣千元	Chita forests operation 赤塔森林業務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue	收入	77,381	123	2,013	79,517
Cost of sales	銷售成本	(73,771)	(10)	(15,487)	(89,268)
Gross profit/(loss)	毛利/(毛損)	3,610	113	(13,474)	(9,751)
Other income	其他收入	1,026	29	5,052	6,107
Other net gain	其他收益淨額	-	-	2,499	2,499
Selling and distribution costs	銷售及分銷成本	-	-	(183)	(183)
Administration expenses	行政支出	(3,519)	(383)	(6,347)	(10,249)
Other operating expenses	其他營運開支	-	(206)	(7)	(213)
		(3,519)	(589)	(6,537)	(10,645)
Profit/(loss) from operations	經營溢利/(虧損)	1,117	(447)	(12,460)	(11,790)
Finance income	融資收入	-	5	-	5
Finance costs	融資費用	(41)	-	(666)	(707)
Net finance (costs)/income	融資(費用)/收入淨額	(41)	5	(666)	(702)
Profit/(loss) before tax	除稅前溢利/(虧損)	1,076	(442)	(13,126)	(12,492)
Income tax	所得稅	742	52	1,139	1,933
		1,818	(390)	(11,987)	(10,559)
Loss on disposal of discontinued operations before tax	出售已終止業務之除稅前虧損	(3,246)	(9,222)	-	(12,468)
Income tax	所得稅	-	-	-	-
Loss on disposal of discontinued operations, net of tax	出售已終止業務之虧損，扣除稅項後	(3,246)	(9,222)	-	(12,468)
Loss from discontinued operations	已終止業務之虧損	(1,428)	(9,612)	(11,987)	(23,027)
Attributable to:	應佔：				
Owners of the Company	本公司擁有人	(2,545)	(9,500)	(11,987)	(24,032)
Non-controlling interests	非控制權益	1,117	(112)	-	1,005
		(1,428)	(9,612)	(11,987)	(23,027)
Cash flow from discontinued operations	已終止業務之現金流轉				
Net cash generated from/(used in) operating activities	經營業務現金流入/(流出)淨額	23	(282)	9,104	8,845
Net cash generated from/(used in) investing activities	投資活動現金流入/(流出)淨額	4,522	(70)	(1,753)	2,699
Net cash used in financing activities	融資活動現金流出淨額	(12,306)	-	(7,351)	(19,657)
		(7,761)	(352)	-	(8,113)

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14. DISCONTINUED OPERATIONS (Continued)

14. 已終止業務 (續)

		2009 二零零九年				
		Building materials 建材	Real estate 房地產	Mining 採礦	Home appliance 家庭電器	Total 總計
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue	收入	7	162,641	5,054	10,366	178,061
Cost of sales	銷售成本		(153,255)	(3,790)	(4,521)	(161,566)
Gross profit	毛利		9,386	1,264	5,845	16,495
Other income	其他收入	8	279	1,013	270	1,562
Other net gain	其他收益淨額	8	782	-	-	786
Selling and distributions costs	銷售及分銷成本		(442)	(3,638)	(2,520)	(6,600)
Administration expenses	行政支出		(5,975)	(2,080)	(2,199)	(10,257)
Other operating expenses	其他營運開支	9	-	(10,356)	(95,303)	(105,659)
			(6,417)	(16,074)	(100,022)	(122,516)
Profit/(loss) from operations	經營溢利/(虧損)		4,030	(13,797)	(93,907)	(103,673)
Finance income	融資收入		-	17	-	17
Finance costs	融資費用		(377)	-	-	(377)
Net finance (costs)/income	融資(費用)/收入淨額	10(a)	(377)	17	-	(360)
Profit/(loss) before tax	除稅前溢利/(虧損)		3,653	(13,780)	(93,907)	(104,033)
Income tax	所得稅	13(a)	(736)	7,105	(768)	5,601
			2,917	(6,675)	(94,675)	(98,432)
Loss on disposal of discontinued operations before tax	出售已終止業務之除稅前虧損		-	-	(113,943)	(37,342)
Income tax	所得稅		-	-	-	-
Loss on disposal of discontinued operations, net of tax	出售已終止業務之虧損，扣除稅項後	45(b)	-	-	(113,943)	(37,342)
Profit/(loss) from discontinued operations	已終止業務之溢利/(虧損)		2,917	(6,675)	(208,618)	(37,341)
Attributable to:	應佔：					
Owners of the Company	本公司擁有人		2,225	(4,885)	(189,683)	(37,341)
Non-controlling interests	非控制權益		692	(1,790)	(18,935)	-
			2,917	(6,675)	(208,618)	(37,341)
Cash flow from discontinued operations	已終止業務之現金流轉					
Net cash generated from/(used in) operating activities	經營業務現金流入/(流出)淨額		21,874	(900)	(2,817)	-
Net cash (used in)/generated from investing activities	投資活動現金(流出)/流入淨額		(93)	9	(148)	(1)
Net cash used in financing activities	融資活動現金流出淨額		(600)	-	-	-
			21,181	(891)	(2,965)	(1)
						17,324

The carrying amounts of the assets and liabilities of the discontinued operations at the date of disposal are disclosed in note 45.

已終止業務於出售日期之資產及負債賬面值於附註45披露。

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永保林業控股有限公司 二零零九／二零一零年年報

15. DIVIDENDS

The directors do not recommend the payment or declaration of any dividend for both years.

15. 股息

董事不建議就兩個年度派發或宣派任何股息。

16. LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

The consolidated loss attributable to owners of the Company includes a loss of HK\$9,763,000 and HK\$37,075,000 for the years ended 31 March 2010 and 2009 respectively, which has been dealt with in the financial statements of the Company.

16. 本公司擁有人應佔虧損

已於本公司財務報告處理之本公司擁有人應佔綜合虧損包括截至二零一零年及二零零九年三月三十一日止年度之虧損分別港幣9,763,000元及港幣37,075,000元。

17. EARNINGS/(LOSS) PER SHARE

(a) For continuing and discontinued operations

The calculation of basic and diluted earnings/(loss) per share is based on the following data:

17. 每股盈利／(虧損)

(a) 持續經營業務及已終止業務

每股基本及攤薄盈利／(虧損)乃根據以下數據計算：

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Earnings/(loss)	盈利／(虧損)		
Earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share	用以計算每股基本及攤薄盈利／(虧損)之盈利／(虧損)		
– Profit/(loss) attributable to owners of the Company	– 本公司擁有人應佔溢利／(虧損)	273,303	(12,707)
		2010 二零一零年 '000 千股	2009 二零零九年 '000 千股 (Restated) (重列)
Number of Shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	用以計算每股基本盈利／(虧損)之普通股加權平均數	1,391,453	502,421
Effect of dilutive potential ordinary shares arising from conversion of convertible preference shares	兌換可換股優先股份產生之潛在攤薄普通股之影響	2,749,320	–
Weighted average number of ordinary shares for the purpose of diluted earnings/(loss) per share	用以計算每股攤薄盈利／(虧損)之普通股加權平均數	4,140,773	502,421

The share options had no dilutive effect on the basic earnings per share for the year ended 31 March 2010. Diluted loss per share is equal to the basic loss per share for the year ended 31 March 2009 because the outstanding bonus warrants and convertible note had an anti-dilutive effect on the basic loss per share for the year ended 31 March 2009. Details of the share options have been set out in note 42.

購股權對截至二零一零年三月三十一日止年度之每股基本盈利並無攤薄影響。截至二零零九年三月三十一日止年度之每股攤薄虧損相等於每股基本虧損，此乃由於截至二零零九年三月三十一日止年度尚未行使紅利認股權證及可換股票據對每股基本虧損並無反攤薄作用。購股權詳情載於附註42。

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17. EARNINGS/(LOSS) PER SHARE (Continued)

(b) For continuing operations

The calculation of basic and diluted earnings per share from continuing operations attributable to owners of the Company is based on the following data:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Restated) (重列)
Earnings	盈利		
Profit attributable to owners of the Company	本公司擁有人應佔溢利	297,335	216,977
		2010 二零一零年 '000 千股	2009 二零零九年 '000 千股 (Restated) (重列)
Number of Shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	用以計算每股基本盈利／(虧損)之普通股加權平均數	1,391,453	502,421
Effect of dilutive potential ordinary shares arising from conversion of convertible preference shares	兌換可換股優先股份產生之潛在攤薄普通股之影響	2,749,320	-
Effect of dilutive potential ordinary shares arising from outstanding warrants	尚未行使認股權證之潛在攤薄普通股之影響	-	807
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均數	4,140,773	503,228

The share options had no dilutive effect on the basic earnings per share for the year ended 31 March 2010.

17. 每股盈利／(虧損)(續)

(b) 持續經營業務

本公司擁有人應佔來自持續經營業務之每股基本及攤薄盈利乃根據以下數據計算：

購股權對截至二零一零年三月三十一日止年度之每股基本盈利並無攤薄影響。

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17. EARNINGS/(LOSS) PER SHARE (Continued)

(c) For discontinued operations

(i) Basic loss per share

Basic loss per share for the discontinued operations is HK1.73 cents per share (2009: HK45.72 cents per share) which is based on the loss from the discontinued operations of HK\$24,032,000 (2009: HK\$229,684,000) and the denominators used are same as those detailed above for basic and diluted earnings/(loss) per share from continuing and discontinued operations.

(ii) Diluted loss per share

Diluted loss per share is equal to the basic loss per share for the year ended 31 March 2010 because the outstanding convertible preference shares had an anti-dilutive effect on the basic per share. The share options had no dilutive effect on the basic loss per share for the year ended 31 March 2010.

Diluted loss per share is equal to the basic per share for the year ended 31 March 2009 because the outstanding bonus warrants and convertible note had an anti-dilutive effect on the basic loss per share for the year ended 31 March 2009.

(d) Impact on application of IFRS3 (revised in 2008) Business Combinations

The impact on application of IFRS3 (revised in 2008) Business Combinations are described in detail in note 4(b). The impact on application of IFRS3 (revised in 2008) Business Combinations on both basic and diluted earnings per share is as follows:

17. 每股盈利／(虧損)(續)

(c) 已終止業務

(i) 每股基本虧損

已終止業務之每股基本虧損為每股港幣1.73仙(二零零九年：每股港幣45.72仙)，乃根據已終止業務虧損港幣24,032,000元(二零零九年：港幣229,684,000元)計算，而所用分母與上文所詳述持續經營業務及已終止業務之每股基本及攤薄盈利／(虧損)所用者相同。

(ii) 每股攤薄虧損

截至二零一零年三月三十一日止年度之每股攤薄虧損相等於每股基本虧損，此乃由於尚未行使可換股優先股份對每股基本虧損具反攤薄作用。截至二零一零年三月三十一日止年度之購股權對每股基本虧損並無反攤薄作用。

截至二零零九年三月三十一日止年度之每股攤薄虧損相等於每股基本虧損，此乃由於截至二零零九年三月三十一日止年度尚未行使紅利認股權證及可換股票據對每股基本虧損具反攤薄作用。

(d) 應用國際財務報告準則第3號(二零零八年經修訂)業務合併之影響

應用國際財務報告準則第3號(二零零八年經修訂)業務合併之影響於附註4(b)詳述。應用國際財務報告準則第3號(二零零八年經修訂)業務合併對每股基本及攤薄盈利之影響載列如下：

		Decrease in basic earnings per share 每股基本盈利減少		Decrease in diluted earnings per share 每股攤薄盈利減少	
		2010 二零一零年 HK cents per share 每股港幣仙	2009 二零零九年 HK cents per share 每股港幣仙	2010 二零一零年 HK cents per share 每股港幣仙	2009 二零零九年 HK cents per share 每股港幣仙
For continuing and discontinued operations	持續經營及已終止業務	0.43	—	0.14	—
For continuing operations	持續經營業務	0.43	—	0.14	—
For discontinued operations	已終止業務	—	—	—	—

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18. PROPERTY, PLANT AND EQUIPMENT

The Group

18. 物業、廠房及設備

本集團

		Buildings held for own use carried at	Furniture and fixtures	Machinery, engineering and other equipment	Motor vehicles (b)	Construction in progress	Total	
	Freehold land (a) 永久 業權土地(a)	fair value 按公平值 列賬之持作 自用樓宇	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
At cost	成本							
At 1 April 2008	於二零零八年四月一日	-	44,030	1,262	-	1,527	-	46,819
Disposal of subsidiaries (note 45(b))	出售附屬公司(附註45(b))	-	(43,800)	(98)	-	(665)	-	(44,563)
Additions	添置	-	-	1,275	-	-	-	1,275
Disposals	出售	-	-	-	-	(341)	-	(341)
Revaluation surplus	重估增值	-	48	-	-	-	-	48
Exchange movement	匯兌變動	-	12	9	-	19	-	40
Classified as assets held for sale (note 30)	分類為持作待售資產 (附註30)	-	(290)	(435)	-	(284)	-	(1,009)
At 31 March 2009	於二零零九年三月三十一日	-	-	2,013	-	256	-	2,269
At 1 April 2009	於二零零九年四月一日	-	-	2,013	-	256	-	2,269
Acquisition of subsidiaries (note 44)	收購附屬公司(附註44)	195,307	41,929	11	16,290	6,223	5,484	265,244
Disposal of subsidiaries	出售附屬公司	-	-	(264)	-	-	-	(264)
Additions	添置	-	-	214	1,820	3,158	1,881	7,073
Disposals	出售	-	-	-	-	(520)	-	(520)
Reclassification	重新分類	-	3,190	-	1,935	-	(5,125)	-
Exchange movement	匯兌變動	-	94	1	1,173	451	397	2,116
Classified as assets held for sale (note 30)	分類為持作待售資產 (附註30)	-	(45,213)	(12)	(19,270)	(6,410)	(2,637)	(73,542)
At 31 March 2010	於二零一零年三月三十一日	195,307	-	1,963	1,948	3,158	-	202,376

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18. PROPERTY, PLANT AND EQUIPMENT (Continued) The Group (Continued)

18. 物業、廠房及設備(續) 本集團(續)

		Buildings held for own use carried at fair value	Furniture and equipment	Machinery, engineering and other equipment	Motor vehicles (b)	Construction in progress	Total	
	Freehold land (a) 永久 業權土地(a)	按公平 列賬之持 自用樓宇	傢俬及裝 置 fixtues	機器、工 程及 其他設 備	汽車(b)	在建工 程	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Accumulated depreciation	累計折舊							
At 1 April 2008	於二零零八年四月一日	-	-	184	-	116	-	300
Charge for the year	本年度折舊	-	4	434	-	127	-	565
Written back on disposals of subsidiaries (note 45(b))	出售附屬公司時撥回 (附註45(b))	-	-	(25)	-	(72)	-	(97)
Written back on disposals	出售時撥回	-	-	-	-	(82)	-	(82)
Elimination on revaluation	重估抵銷	-	(4)	-	-	-	-	(4)
Exchange movement	匯兌變動	-	-	1	-	1	-	2
Classified as assets held for sale (note 30)	分類為持作待售資產 (附註30)	-	-	(91)	-	(60)	-	(151)
At 31 March 2009	於二零零九年三月三十一日	-	-	503	-	30	-	533
At 1 April 2009	於二零零九年四月一日	-	-	503	-	30	-	533
Charge for the year	本年度折舊	-	68	374	1,573	887	-	2,902
Written back on disposal of subsidiaries	出售附屬公司時撥回	-	-	(108)	-	-	-	(108)
Exchange movement	匯兌變動	-	1	-	28	8	-	37
Classified as assets held for sale (note 30)	分類為持作待售資產 (附註30)	-	(69)	(1)	(1,494)	(480)	-	(2,044)
Written back on disposals	出售時撥回	-	-	-	-	(237)	-	(237)
At 31 March 2010	於二零一零年三月三十一日	-	-	768	107	208	-	1,083
Carrying amount	賬面值							
At 31 March 2010	於二零一零年三月三十一日	195,307	-	1,195	1,841	2,950	-	201,293
At 31 March 2009	於二零零九年三月三十一日	-	-	1,510	-	226	-	1,736

(a) The freehold land is held in Amazon Brazil where the 44,500-hectare natural forests are located.

(a) 永久業權土地為位於巴西亞馬遜44,500公頃天然森林所在地。

(b) At 31 March 2010, motor vehicles with carrying amount of HK\$976,000 (2009: HK\$Nil) were pledged for bank loans of HK\$506,000 (2009: HK\$Nil) (note 32).

(b) 於二零一零年三月三十一日，賬面值港幣976,000元(二零零九年：港幣零元)之汽車已作為銀行貸款港幣506,000元(二零零九年：港幣零元)之抵押(附註32)。

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18. PROPERTY, PLANT AND EQUIPMENT (Continued) The Company

18. 物業、廠房及設備(續) 本公司

		Leasehold improvements 租賃物業裝修 HK\$'000 港幣千元	Furniture and other equipment 傢俬及其他設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At cost	成本				
At 1 April 2008	於二零零八年四月一日	236	448	598	1,282
Additions	添置	826	253	–	1,079
Disposals	出售	–	–	(342)	(342)
At 31 March and 1 April 2009	於二零零九年 三月三十一日及 四月一日	1,062	701	256	2,019
Additions	添置	–	12	–	12
Disposals	出售	–	–	(256)	(256)
At 31 March 2010	於二零一零年 三月三十一日	1,062	713	–	1,775
Accumulated depreciation	累計折舊				
At 1 April 2008	於二零零八年四月一日	–	126	73	199
Charge for the year	本年度折舊	212	106	40	358
Written back on disposals	出售時撥回	–	–	(83)	(83)
At 31 March and 1 April 2009	於二零零九年 三月三十一日及 四月一日	212	232	30	474
Charge for the year	本年度折舊	213	107	11	331
Written back on disposals	出售時撥回	–	–	(41)	(41)
At 31 March 2010	於二零一零年 三月三十一日	425	339	–	764
Carrying amount	賬面值				
At 31 March 2010	於二零一零年 三月三十一日	637	374	–	1,011
At 31 March 2009	於二零零九年 三月三十一日	850	469	226	1,545

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19. INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE UNDER OPERATING LEASES

The Group

19. 根據經營租約持有作自用之租約土地權益

本集團

		HK\$'000 港幣千元
Cost	成本	
At 1 April 2008	於二零零八年四月一日	3,325
Disposals	出售	(3,051)
Exchange movement	匯兌變動	6
Classified as assets held for sale (note 30)	分類為持作待售資產(附註30)	(280)
At 31 March 2009	於二零零九年三月三十一日	-
At 1 April 2009 and 31 March 2010	於二零零九年四月一日及 二零一零年三月三十一日	-
Accumulated amortisation	累計攤銷	
At 1 April 2008	於二零零八年四月一日	1,015
Charge for the year	本年度攤銷	5
Written back on disposals	出售時撥回	(1,010)
Classified as assets held for sale (note 30)	分類為持作待售資產(附註30)	(10)
At 31 March 2009	於二零零九年三月三十一日	-
At 1 April 2009 and 31 March 2010	於二零零九年四月一日及 二零一零年三月三十一日	-
Carrying amount	賬面值	
At 31 March 2010	於二零一零年三月三十一日	-
At 31 March 2009	於二零零九年三月三十一日	-

The leasehold land for own use was held under medium term lease and situated in mainland China.

持作自用之租約土地乃以中期租約持有，位於中國大陸。

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20. INTANGIBLE ASSETS

The Group

20. 無形資產

本集團

		Timber concession rights	Mining rights	Total
		木材特許權	採礦權	總計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Cost	成本			
At 1 April 2008	於二零零八年四月一日	–	2,033,130	2,033,130
Disposal of subsidiaries (note 45(b))	出售附屬公司(附註45(b))	–	(2,033,130)	(2,033,130)
At 31 March and 1 April 2009	於二零零九年三月三十一日 及四月一日	–	–	–
Acquisition of subsidiaries (note 44)	收購附屬公司(附註44)	168,182	–	168,182
Exchange movement	匯兌變動	312	–	312
Classified as assets held for sale (note 30)	分類為持作待售資產 (附註30)	(168,494)	–	(168,494)
At 31 March 2010	於二零一零年三月三十一日	–	–	–
Accumulated amortisation	累計攤銷			
At 1 April 2008	於二零零八年四月一日	–	10,589	10,589
Charge for the year	本年度攤銷	–	95,303	95,303
Disposal of subsidiaries (note 45(b))	出售附屬公司(附註45(b))	–	(105,892)	(105,892)
At 31 March and 1 April 2009	於二零零九年三月三十一日 及四月一日	–	–	–
Charge for the year	本年度攤銷	6,540	–	6,540
Exchange movement	匯兌變動	7	–	7
Classified as assets held for sale (note 30)	分類為持作待售資產 (附註30)	(6,547)	–	(6,547)
At 31 March 2010	於二零一零年三月三十一日	–	–	–
Carrying amount	賬面值			
At 31 March 2010	於二零一零年三月三十一日	–	–	–
At 31 March 2009	於二零零九年三月三十一日	–	–	–

Timber concession rights

The Group acquired seven timber concession licences through acquisition of Amplewell on 31 July 2009. These timber concession rights cover approximately 242,745 hectares of forests situated within the Chita Region in Russia.

木材特許權

於二零零九年七月三十一日，本集團透過收購沛源取得七項木材特許權。此等木材特許權覆蓋位於俄羅斯赤塔地區約242,745公頃之森林。

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20. INTANGIBLE ASSETS (Continued)

Timber concession rights (Continued)

The timber concession licences have finite life and will expire between 2012 and 2032. Under the terms of the timber concession licences, the Group has the right to carry out harvesting activities. In addition, the Group is required to pay royalties to the respective forestry services departments in Russia at a pre-determined fixed sum calculated based on the volume by species allowed to be harvested each year.

The timber concession rights were independently valued by Greater China Appraisal Limited ("GCA"), an independent qualified professional valuer not connected with the Group, with a fair value of HK\$168,182,000 at the date of acquisition. GCA is a member of the Hong Kong Institute of Surveyors. GCA has adopted a direct market data method to value the timber concession rights which is based on the official price data published by the Federal Forestry Agency of the Ministry of Agriculture of the Russian Federation.

Mining rights

The mining rights were disposed through disposal of subsidiaries completed on 29 December 2008.

21. BIOLOGICAL ASSETS

The Group's forest assets, acquired through the business combination of Amplewell Group, are located in the Northwest of Brazil, the State of Acre, Amazon Region (the "Brazil Forest"). As at 31 March 2010, the biological assets represented natural tropical forests. The total area of the Brazil Forest is approximately 44,500 hectares. Under the environmental laws in Brazil, 15% or 6,675 hectares of the Brazil Forest area is the permanent preservation area and therefore is restricted from logging. At least 80% of the remaining area is designated as the sustainable forest management area, and the balance is the permissible clear cut area that has no restriction on felling under the environmental laws of Brazil. In the sustainable forest management area, minimum impact logging techniques are used and forests are managed in a sustainable manner which means that the harvesting rate is below the overall natural growth of the forest. The main objective in sustainable forest management program is to ensure the substance of the forests be preserved. The maximum logging rate allowed under relevant regulations governing sustainable forest management is 30 m³ per hectare, on average, over a 25 to 30-year harvesting cycle.

20. 無形資產(續)

木材特許權(續)

木材特許權將於二零一二年至二零二二年期間屆滿。根據木材特許權之條款，本集團有權進行砍伐活動。此外，本集團須根據每年獲准砍伐樹種之數量向俄羅斯相關森林服務部門按事前釐定之固定金額支付專利權費。

木材特許權乃由與本集團並無關連之獨立合資格專業估值師漢華評值有限公司(「漢華評值」)獨立估值，於收購日期之公平值為港幣168,182,000元。漢華評值為香港測量師學會會員。漢華評值已按俄羅斯聯邦農業部(Ministry of Agriculture of the Russian Federation)Federal Forestry Agency刊發之官方價格資料採納直接市場數據法評估木材特許權。

採礦權

採礦權已於二零零八年十二月二十九日透過出售附屬公司完成出售。

21. 生物資產

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
At beginning of the year	於年初	-	-
Acquisition of subsidiaries (note 44)	收購附屬公司(附註44)	461,747	-
Changes in fair value less estimated point-of-sale costs	公平值變動減估計銷售點成本	369,980	-
Exchange movement	匯兌變動	1,596	-
At end of the year	於年終	833,323	-

本集團透過合併沛源集團之業務取得之森林資產位於巴西西北部之亞克裏州亞馬遜叢林區(「巴西森林」)。於二零一零年三月三十一日，生物資產指天然熱帶森林。巴西森林之總面積約44,500公頃。根據巴西之環保法律，巴西森林面積之15%或6,675公頃為永久保護面積，故此嚴禁砍伐。餘下範圍最少80%指定作為可持續森林管理區，根據巴西環保法，餘下範圍並無砍伐限制之皆伐區。在可持續森林管理範圍內，已採用構成最低影響之砍伐技術，而森林乃以可持續之方式管理，保持砍伐比率低於森林整體天然增長。可持續森林管理計劃之主要目的為確保森林之主要物質得以保留。根據可持續森林管理之相關監管規例，最大砍伐率為二十五至三十年之砍伐循環內平均每公頃30立方米。

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21. BIOLOGICAL ASSETS (Continued)

The Group did not carry out any harvesting activities during the year.

The Brazil Forest was independently valued by GCA. GCA has experience in valuating similar forestry assets. GCA has adopted a discounted cash flow methodology in valuating the Brazil Forest. The following are the major assumptions used in the valuation:

- (i) a logging volume of 21.5 m³ per hectare in the sustainable forest management program area.
- (ii) a discount rate of 14% based on the data and factors relevant to the economy of Brazil, the industry of forest business and the harvestable resources in the Brazil Forest, and the weighted average cost of capital.
- (iii) for the first 30-year cycle, harvesting activities will begin from the calendar year 2011 and complete in 4 years. Revenue or costs from subsequent harvesting cycles are not taken into account.
- (iv) average log price growth at 3% per annum in the next 5 years. The expected long term growth rate was estimated by reference to the GDP in Brazil.
- (v) the Group will obtain Forest Stewardship Council (“FSC”) certification in 2012. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2012 when the Group obtains the FSC certification.

The Group is exposed to a number of risks related to its natural forest.

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in Brazil in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks. The directors are not aware of any environmental liabilities as at 31 March 2010.

(ii) Supply and demand risk

The Group is exposed to risks arising from fluctuations in the price and sales volume of logs. When possible the Group manages this risk by controlling its harvesting volume, according to market conditions. Management performs regular industry trend analysis to ensure the Group’s pricing policy is comparable to the market and the projected harvesting volumes are consistent with the expected demand.

21. 生物資產(續)

年內，本集團並無進行任何砍伐活動。

巴西森林由漢華評估獨立評估。漢華評估具有評估類似森林資產之經驗。漢華評估於評估巴西森林時已採用貼現現金流量法。以下為評估所用主要假設：

- (i) 可持續森林管理計劃範圍之砍伐量為每公頃21.5立方米。
- (ii) 折現率14%乃按照與巴西經濟環境有關之資料及因素、林業業務行業概況、於巴西森林之砍伐資源以及資本加權平均成本釐訂。
- (iii) 首三十年循環砍伐活動將自二零一一年開始，並於四年內完成。並無計及往後砍伐循環之收入及成本。
- (iv) 未來五年之平均原木價格增幅為每年3%，與經參考巴西國內生產總值估計之長期增長率一致。
- (v) 本集團將於二零一二年取得森林管理委員會(「FSC」)認證，FSC認證顯示本集團符合社會及生態標準，同時可增加木材產品售價。按現時市場慣例，董事估計本集團於二零一二年取得FSC認證後可享較非FSC木材產品溢價15%。

本集團之天然森林面對多項風險。

(i) 監管及環境風險

本集團受其業務所在之巴西法例及規例規管。本集團已制定環境政策及程序，旨在遵守地方環保及其他法例。管理層定期進行檢討，以確定環境風險及確保現行制度足以管理有關風險。於二零一零年三月三十一日，董事並不知悉任何環境負債。

(ii) 供求風險

本集團面對木材價格及銷售量波動產生之風險。在可能情況下，本集團根據市場情況控制其砍伐量以管理此項風險。管理層定期進行行業趨勢分析，以確保本集團定價政策可與市場水平比較及預計砍伐量與預期需求一致。

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22. GOODWILL

The Group

22. 商譽

本集團

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Cost	成本		
At beginning of the year	於年初	-	7,284
Arising from acquisition of subsidiaries (note 44)	收購附屬公司所產生(附註44)	1,686,883	-
Disposal of subsidiaries	出售附屬公司	-	(2,327)
Classified as assets held for sale	分類為持作待售資產	-	(4,957)
At end of the year	於年終	1,686,883	-
Accumulated impairment losses	累計減值虧損		
At beginning of the year	於年初	-	7,284
Disposal of subsidiaries	出售附屬公司	-	(2,327)
Classified as assets held for sale	分類為持作待售資產	-	(4,957)
At end of the year	於年終	-	-
Carrying amount	賬面值		
At end of the year	於年終	1,686,883	-

Goodwill was allocated to the Group's cash-generating unit identified according to the operating segment. The goodwill as at 31 March 2010 was attributable to the cash-generating unit that comprises the sustainable forest management segment. The recoverable amount of the sustainable forest management segment was determined to be higher than its carrying amount, therefore, there was no impairment loss.

The recoverable amount of the sustainable forest management segment cash-generating unit was based on value in use and was determined with the assistance of an independent valuer.

商譽分配至根據經營分部識別之本集團現金產生單位。於二零一零年三月三十一日之商譽乃源自組成可持續森林管理分部之現金產生單位。可持續森林管理分部之可收回金額乃釐定為將高於其賬面值，因此，並無減值虧損。

可持續森林管理分部現金產生單位之可收回金額乃按使用價值及在獨立估值師協助下釐定。

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22. GOODWILL (Continued)

Value in use was determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use was based on the following key assumptions:

- Cash flows were projected based on past experience and financial budget approved by management. Management estimated that the cash flows after 5 years are immaterial to the overall recoverable amount of the unit, therefore, cash flows after 5 years are not included in the value in use calculations.
- Revenue was projected based on management's past experience and their expectations for market development. The anticipated revenue growth in 2012 and 2013 were 75% and 3% respectively. Management estimates that there would be a negative revenue growth of 37% and 78% in 2014 and 2015 respectively.
- Timber product average price growth at 3% per annum. The expected long-term growth rate was estimated by reference to the GDP in Brazil.
- A discount rate of 14% based on the data and factors relevant to the economy of Brazil, the forestry industry, the timber products in the Brazil Forest, and the weighted average cost of capital.
- The Group will obtain FSC certification in 2012. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2012 when the Group obtains the FSC certification.

22. 商譽(續)

使用價值乃按貼現來自持續使用該單位之未來現金流轉釐定。使用價值乃按以下主要假設計算：

- 現金流量乃按過往經驗及管理層批准之財務預算預測。管理層估計五年後之現金流轉對單位之整體可收回金額而言並不重大，因此，於計算使用價值時並無計入五年後之現金流轉。
- 收入乃按管理層之過往經驗及彼等對市場發展之預期預測。二零一二年及二零一三年之預期收入增長分別為75%及3%。管理層估計二零一四年及二零一五年之收入將分別錄得37%及78%之負增長。
- 木材產品價格之平均增長為每年3%，此乃參考巴西國內生產總值後估計之預期長期增長率。
- 貼現率14%乃根據與巴西經濟、林業行業以及巴西森林木材產品相關之資料及因素以及資本之加權平均成本計算。
- 本集團將於二零一二年取得FSC認證，FSC認證顯示本集團符合社會及生態標準，同時可增加木材產品售價。按現時市場慣例，董事估計本集團於二零一二年取得FSC認證後可享較非FSC木材產品溢價15%。

23. INTEREST IN SUBSIDIARIES

23. 附屬公司權益

		The Company 本公司	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份，按成本	–*	–
Due from subsidiaries	應收附屬公司款項	2,216,432	59,089
		2,216,432	59,089
Less: Impairment losses	減：減值虧損	(15,334)	(24,545)
		2,201,098	34,544

* Total investment cost are HK\$19 (2009: HK\$33).

* 總投資成本為港幣19元(二零零九年：港幣33元)。

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23. INTEREST IN SUBSIDIARIES (Continued)

- (a) The amounts due from subsidiaries are unsecured, interest-free and had no fixed repayment terms. In the opinion of the Company's director, these advances are considered as quasi-equity loans to the subsidiaries. The carrying amounts of the amounts due from subsidiaries approximate to their fair value.
- (b) The movement in the allowance for impairment losses during the year was as follows:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Balance brought forward	承前結餘	24,545	47,334
Impairment loss recognised	已確認減值虧損	-	10,563
Disposal of subsidiaries	出售附屬公司	(4,043)	(33,352)
Reversal of impairment loss	撥回減值虧損	(5,168) [#]	-
Balance carried forward	結轉結餘	15,334	24,545

[#] During the year ended 31 March 2010, the Company received a net consideration of disposal of subsidiary of HK\$5,868,000 on behalf of a subsidiary. Therefore, the impairment loss recognised in previous years in relation to this subsidiary was reversed.

- (c) During the year ended 31 March 2009, several subsidiaries had incurred operating losses. After reviewing the financial performance and financial position of these subsidiaries and taking into account the current market environment, the directors consider that impairment loss on the amount due from these subsidiaries to their receivable amount should be made. The impairment has been charged to the income statement of the Company.

23. 附屬公司權益(續)

- (a) 應收附屬公司款項為無抵押、免息及並無固定還款期。本公司董事認為，該等墊款為附屬公司之被視為權益貸款。應收附屬公司賬面值與其公平值相若。
- (b) 年內減值虧損撥備之變動載列如下：

[#] 截至二零一零年三月三十一日止年度，本公司代表一家附屬公司收取出售附屬公司代價淨額港幣5,868,000元。因此，過往年度有關此附屬公司之已確認減值虧損已予撥回。

- (c) 截至二零零九年三月三十一日止年度，數家附屬公司錄得經營虧損。檢討此等附屬公司之財務表現及財務狀況，並考慮目前之市場環境後，董事認為應於其應收金額就應收此等附屬公司款項作出減值虧損。有關減值已計入本公司之收益表。

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23. INTEREST IN SUBSIDIARIES (Continued)

(d) Particulars of the subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and operations 成立/註冊及 經營地點	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			directly 直接	indirectly 間接	
Amplewell Holdings Limited # 沛源控股有限公司#	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股普通股每股面值 1美元	–	100	Investment holding 投資控股
Anex Construction and Engineering Holdings Limited 安歷士建築工程集團有限公司	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股普通股每股面值 1美元	100	–	Inactive 暫無營業
Anex International Management Limited 安歷士國際管理有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股每股面值 港幣1元	100	–	Human resources management 人力資源管理
AW Holdings Limited # 安護控股有限公司 #	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股每股面值 港幣1元	–	100	Inactive 暫無營業
Eastmark Holding Limited #	Samoa 薩摩亞	3,350 ordinary shares of US\$1 each 3,350股普通股每股 面值1美元	–	100	Investment holding 投資控股
Great Path Limited 宏通有限公司	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 each 1股普通股每股面值 1美元	100	–	Investment holding 投資控股
OOO "Zabaikalskaya Lesnaya Kompania" #	Russia 俄羅斯	Rubles7,150,000 7,150,000盧布	–	100	Logging, timber and wood processing, timber trading and holding of timber concession rights 伐木、木材及木料加工、 木材買賣及持有木材 特許權
OOO "Novoles" #	Russia 俄羅斯	Rubles40,120,482 40,120,482盧布	–	99.9	Logging, timber and wood processing, timber trading and holding of timber concession rights 伐木、木材及木料加工、 木材買賣及持有木材 特許權
SFH Management Limited # 永保管理有限公司 #	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股每股面值 港幣1元	100	–	General management 一般管理
SFH Trading Limited # 永保貿易有限公司 #	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股每股面值 港幣1元	–	100	Timber and wood products trading 木材及木料產品買賣

23. 附屬公司權益(續)

(d) 附屬公司詳情如下：

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23. INTEREST IN SUBSIDIARIES (Continued)

23. 附屬公司權益(續)

Name 名稱	Place of incorporation/ registration and operations 成立/註冊及 經營地點	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			directly 直接	indirectly 間接	
Total Growth Limited 好晉有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股普通股每股面值 港幣1元	100	–	Inactive 暫無營業
Universal Timber Resources Do Brazil Participacao Ltda #	Brazil 巴西	R\$12,049,133 12,049,133雷亞爾	–	99.99	Sustainable management of and investment in natural forests, timber and wood processing, timber trading and timber sales, marketing and tree felling services 可持續天然森木管理及 投資、木材及木料 加工、木材買賣、 木材銷售及市場推廣 以及伐木服務
Manzhouli Eastmark Wooden Products Co., Ltd.△ 滿州里怡美林業有限公司#*	PRC 中國	Paid up registered capital of US\$75,000 已註冊繳足股本 75,000美元	–	100	Timber and wood processing and timber trading 木材及木料加工及木材 產品買賣

Subsidiaries set up/acquired during the year ended 31 March 2010.

截至二零一零年三月三十一日止年度成立/收購之附屬公司。

* Wholly-foreign owned enterprise registered in mainland China.

* 於中國大陸註冊之外商獨資企業。

△ The English translation of Chinese name is for identification purpose only.

24. DEPOSIT FOR ACQUISITION OF SUBSIDIARIES

On 28 February 2009 (as supplemented and amended by the supplemental agreement dated 10 March 2009), Great Path Limited ("Great Path") as the purchaser, a wholly-owned subsidiary, Winner Global Holdings Limited ("Winner Global") as the vendor and Ms. Loh, Jiah Yee Katherine ("Ms. Loh"), as a guarantor entered into a conditional agreement (the "Agreement") to acquire 100% of the issued share capital of Amplewell for a total consideration of HK\$1,860,045,000 (subject to adjustments).

Amplewell Group (to be acquired through a reorganisation before the date of completion) are principally engaged in the sustainable management of and investment in nature forests, timber and wood processing, timber trading and timber sales and marketing in Russia, Brazil and Manzhouli in mainland China. Great Path has paid an initial deposit of HK\$15,500,000 for the acquisition of subsidiaries pursuant to the Agreement. The acquisition had been completed on 31 July 2009. Details of the acquisition have been set out in note 44.

24. 收購附屬公司之訂金

於二零零九年二月二十八日(經日期為二零零九年三月十日之補充協議補充及修訂), 全資附屬公司宏通有限公司(「宏通」)作為買方、Winner Global Holdings Limited(「Winner Global」)作為賣方與樂家宜女士(「樂女士」)作為擔保人訂立有條件協議(「協議」), 以收購沛源全部已發行股本, 總代價為港幣1,860,045,000元(可予調整)。

沛源集團(將於完成日期前透過一項重組收購)主要在俄羅斯、巴西及中國大陸滿洲里從事天然森林可持續管理及投資、木材及木料加工、木材貿易以及木材銷售與市場推廣業務。宏通已根據協議就收購附屬公司支付初步訂金港幣15,500,000元。收購已於二零零九年七月三十一日完成。收購詳情載於附註44。

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25. DEPOSIT FOR PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

The amount represents deposit of R\$2,200,000 (equivalent to HK\$9,541,000) paid by Universal Timber to acquire a factory, machinery and equipment in Belem, State of Para, Brazil pursuant to a memorandum of understanding ("MOU") entered into between Universal Timber and a third party. Pursuant to the MOU, a definitive agreement shall be entered into for purchasing factory, machinery and equipment within 9 months from 1 June 2009. Universal Timber is in the process of negotiating the terms for the purchase and has obtained a verbal understanding from the counter-party to extend the term of the MOU in order to prepare the related definitive agreement. The directors expect that the acquisition of the property, plant and equipment will be completed in a short period of time.

25. 收購物業、廠房及設備之訂金

有關款項指 Universal Timber 已付之 2,200,000 雷亞爾 (相當於港幣 9,541,000 元) 之訂金，以根據 Universal Timber 與第三方訂立之諒解備忘錄 (「諒解備忘錄」) 收購位於巴西帕拉州貝倫之廠房、機器及設備。根據諒解備忘錄，自二零零九年六月一日起計九個月內將就購買廠房、機器及設備訂立正式協議。Universal Timber 現正就購買條款進行磋商，並已自對手方取得口頭諒解，延長諒解備忘錄之期限，以編製相關正式協議。董事預期，收購物業、廠房及設備將於短期內完成。

26. INVENTORIES

26. 存貨

		The Group 本集團	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
		Note 附註	
Timber logs	木材原木	(a)	235,424
Raw materials	原材料	(b)	1,603
Work in progress	在製品	(b)	11,391
Finished goods	製成品	(b)	4,632
Completed properties held for sale	已落成之持作待售物業	(c)	-
			11,576
			253,050
			11,576

- (a) The timber logs were harvested during the provision of tree felling services.
- (b) These inventories were held for further processing or sale.
- (c) The completed properties held for sale were located in mainland China and held under long-term leases.
- (d) The analysis of the amount of inventories recognised as an expense is as follows:

- (a) 木材原木乃於提供伐木服務時砍伐。
- (b) 該等存貨持有作進一步加工及銷售用途。
- (c) 已落成之持作待售物業位於中國大陸，以長期租約持有。
- (d) 已確認為開支之存貨金額分析如下：

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Carrying amount of inventories sold	已售存貨賬面值	33,436	3,791
Write-down of remaining unsold inventories	撇減仍未售出之存貨	206	10,356
		33,642	14,147

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27. TRADE AND OTHER RECEIVABLES

27. 應收貿易款項及其他應收款項

		The Group 本集團		The Company 本公司	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Trade receivables	應收貿易款項	3,435	16,635	-	-
Other receivables	其他應收款項	4,788	2	-	-
Retention receivables	應收保留金	-	14,203	-	-
Prepayments and deposits	預付款項及按金	6,067	9,296	1,162	1,029
Gross amount due from customers for contract work (note 28)	應收客戶合約工程款項 總額(附註28)	-	10,592	-	-
		14,290	50,728	1,162	1,029

Except for the retention receivables as stated in note 27(b), all the trade and other receivables are expected to be recovered within one year.

除附註27(b)所述應收保留金外，所有應收貿易款項及其他應收款項均預期於一年內收回。

(a) Trade receivables

The aging analysis of the trade receivables as of the reporting date, based on invoice date, was as follows:

(a) 應收貿易款項

於呈報日期，按發票日期計算之應收貿易款項之賬齡分析如下：

		The Group 本集團	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
0 to 30 days	0至30日	1,974	15,494
31 to 60 days	31至60日	975	-
Over 90 days	90日以上	486	1,141
		3,435	16,635

For the building materials business segment, the Group's trading terms with its customers were mainly on credit and letters of credit, except for new customers where payment in advance and cash on delivery were normally required. Invoices were normally payable between 30 and 180 days after issuance. Each customer had a maximum credit limit. For the forestry operation, customers are generally not given any credit terms. Letter of credit or advance deposits are required from customers, except for some where sales terms are based on cash on delivery.

就建材業務分部而言，除新客戶一般須預付款項及貨到支付現金外，本集團大多會給予客戶信貸期及以信用證交易。發票一般須於發出後30至180日內支付。每名客戶均設有最高信貸額。就林業業務而言，一般不會給予客戶任何信貸期。客戶須出示信用證或預先支付訂金，惟部分客戶的銷售條款按貨到付現訂立。

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. Further details on the Group's credit policy are set out in note 46.

本集團對未收回之應收款項實施嚴格控制，並已設立信貸控制部進行管理，以求盡量降低信貸風險。高級管理層定期審閱逾期結餘。有關本集團信貸政策詳情載於附註46。

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27. TRADE AND OTHER RECEIVABLES (Continued)

(b) Retention receivables

		The Group 本集團	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Due within one year	一年內到期	-	1,429
Due more than one year	一年後到期	-	12,774
		-	14,203

The retention receivables are interest-free and recoverable at the end of the retention period of individual construction contracts.

(c) Impairment of trade receivables and retention receivables

Impairment losses in respect of trade receivables and retention receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables and retention receivables directly (see note 3(i)).

The movement in the allowance for debts during the year was as follows:

27. 應收貿易款項及其他應收款項

(續)

(b) 應收保留金

應收保留金為免息，並可於個別建造合約之保留期結束時收回。

(c) 應收貿易款項及應收保留金之減值

有關應收貿易款項及應收保留金之減值虧損乃使用備抵賬記錄，惟倘本集團認為收回款項之機會甚微，則減值虧損會直接與應收貿易款項及應收保留金撇銷（見附註3(i)）。

呆賬備抵於年內之變動如下：

		Trade receivables 應收貿易款項		Retention receivables 應收保留金	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Balance brought forward	承前結餘	-	2,933	-	938
Exchange movement	匯兌變動	-	24	-	-
Classified as held for sale	分類為持作待售	-	(1,115)	-	-
Disposal of subsidiaries	出售附屬公司	-	(1,828)	-	(848)
Uncollectible amount written off	撇銷無法收回之款項	-	(14)	-	(90)
Balance carried forward	結轉結餘	-	-	-	-

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27. TRADE AND OTHER RECEIVABLES (Continued)

(d) Trade receivables that are not impaired

The aging analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

	The Group 本集團		The Company 本公司	
	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Neither past due nor impaired 並無逾期亦無減值	320	15,494	-	-
Less than 1 month past due 逾期少於一個月	2,629	-	-	-
1 to 3 months past due 逾期一至三個月	486	1,141	-	-
	3,115	1,141	-	-
	3,435	16,635	-	-

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

As of 31 March 2010, trade receivables of HK\$3,115,000 (2009: HK\$1,141,000) were past due but not impaired. Subsequent to the reporting date, an amount of HK\$2,629,000 was settled.

Receivables that were past due but not impaired related to a number of independent customers that have a good track record with the Group for whom there was no recent history of default. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

27. 應收貿易款項及其他應收款項

(續)

(d) 並無減值之應收貿易款項

並無被視為出現個別或集體減值之應收貿易款項之賬齡分析如下：

概無逾期或減值之應收款項與大量近期並無拖欠記錄之客戶有關。

於二零一零年三月三十一日，已逾期但並無減值之應收貿易款項為港幣3,115,000元（二零零九年：港幣1,141,000元）。於結算日後，已收回港幣2,629,000元。

已逾期但並無減值之應收款項與多名獨立客戶有關，彼等於本集團有良好業務往來記錄，近期亦無欠款記錄。根據以往經驗，由於信貸質素並無重大變動，此等結餘仍被視為可以全數收回，故管理層相信毋須就此等結餘作出減值備抵。本集團並無就此等結餘持有任何抵押品。

28. CONTRACT WORK IN PROGRESS

28. 進行之合約工程

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Contract costs incurred and recognised profits less recognised losses to date	已產生合約成本及已確認溢利，減截至本呈報日期之已確認虧損	-	100,938
Less: Progress billings	減：進度收費	-	(90,346)
		-	10,592
Analysed for reporting purpose as Gross amount due from customers for contract work included in trade and other receivables (Note 27)	就申報用途所作分析 應收客戶合約工程款項總額，已計入應收貿易款項及其他應收款項(附註27)	-	10,592

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29. CASH AND CASH EQUIVALENTS

29. 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Pledged bank deposits	已抵押銀行存款	-	50,500	-	50,500
Non-pledged bank deposits	無抵押銀行存款	-	14,422	-	14,422
Cash at bank and on hand	銀行及手頭現金	36,820	50,016	21,032	37,636
		36,820	114,938	21,032	102,558
Less: Pledged bank deposits	減：已抵押銀行存款	-	(50,500)	-	(50,500)
Cash and cash equivalents in the consolidated statement of financial position	於綜合財務狀況表之 現金及現金等價物	36,820	64,438	21,032	52,058
Bank overdrafts, secured (note 32)	有抵押之銀行透支 (附註32)	-	(4,041)		
Cash and cash equivalents classified as held for sale (note 30)	分類為持作待售之現金 及現金等價物(附註30)	2	335		
Cash and cash equivalents in the consolidated statement of cash flows	於綜合現金流轉表之 現金及現金等價物	36,822	60,732		
Cash and cash equivalents denominated in Renminbi	以人民幣列值之現金 及現金等價物	6	114		

Renminbi is not freely convertible into other currencies. However, under mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange Renminbi for other currencies through banks authorised to conduct foreign exchange business.

At 31 March 2009, the pledged bank deposits of HK\$50,500,000 and the non-pledged bank deposits of HK\$14,422,000 carry interest at market rate 0.30-0.60% and 0.17-0.70% per annum, respectively. At 31 March 2009 and 2010, bank balances carry interest at market rate which range from 0.01% to 0.02% per annum. The bank balances and bank deposits are deposited with creditworthy banks with no recent history of default.

人民幣不可自由兌換為其他貨幣。然而，根據中國大陸之外匯管理條例以及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

於二零零九年三月三十一日，已抵押銀行存款港幣50,500,000元及無抵押銀行存款港幣14,422,000元分別按市場年利率0.30至0.60厘及0.17至0.70厘計息。於二零零九年及二零一零年三月三十一日，銀行結存按市場利率介乎0.01厘至0.02厘計息，銀行結存及銀行存款乃存放於信譽良好且近期並無拖欠記錄之銀行。

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30. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

- (a) In February 2010, the directors of the Group commenced negotiations to dispose of the Chita forests operation in Russia as part of its ongoing strategy to seek forest assets or operations with better return on investments, hence improving the value they bring to shareholders. On 1 March 2010, Amplewell entered into a letter of intent with an independent third party to dispose of the Group's entire equity interest in issued share capital of ZLK Group. ZLK Group was principally engaged in forestry operations in Russia. The assets and liabilities attributable to the forestry operation in Russia which are expected to be sold within twelve months, have been classified as assets held for sale and are presented separately in the consolidated statement of financial position. Pursuant to the letter of intent, the selling price of the disposal shall be not less than the book value, as such the directors expected that the proceeds of the disposal will be greater than the net carrying amount of the relevant assets and liabilities, and therefore no impairment is necessary.
- (b) In January 2009, the directors of the Group commenced negotiations to dispose of certain of the Group's real estate operation as part of the Group's business plan to concentrate on the building materials business and the proposed acquisition of forest operation. Negotiations with interested parties have been subsequently taken place. The assets and liabilities attributable to the real estate operation which are expected to be sold within twelve months, have been classified as assets held for sale and are presented separately in the consolidated statement of financial position. The directors expected that the proceeds of the disposal are greater than the net carrying amount of the relevant assets and liabilities, and therefore no impairment is necessary.

30. 分類為持作待售資產及負債

- (a) 於二零一零年二月，本集團董事開始就出售俄羅斯赤塔森林業務進行磋商，作為尋求更佳投資回報之森林資產或業務之持續策略之一部分，從而提升為股東帶來之價值。於二零一零年三月一日，沛源與獨立第三方訂立意向書，出售本集團於ZLK集團已發行股本之全部股本權益。ZLK集團主要在俄羅斯從事林業業務。預期將於十二個月內出售之俄羅斯林業業務應佔資產及負債已分類為持作待售資產，並於綜合財務狀況表內分別呈列。根據意向書，出售事項之售價不得少於賬面值，故董事預期出售事項所得款項將多於有關資產及負債之賬面淨值，故毋須作出減值撥備。
- (b) 於二零零九年一月，本集團董事開始就出售本集團若干房地產業務進行磋商，作為本集團專注從事建材業務及建議收購林業業務之業務計劃其中一環。本集團其後與有興趣人士磋商。預期將於十二個月內出售之房地產業務應佔資產及負債已分類為持作待售資產，並於綜合財務狀況表內分別呈列。董事預期出售事項所得款項將多於有關資產及負債之賬面淨值，故毋須作出減值撥備。

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30. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (Continued)

The major classes of assets and liabilities of Chita forests operation in Russia and the real estate operation, which have been classified as held for sale at the end of the respective reporting period, are as follows:

30. 分類為持作待售資產及負債(續)

於各報告期終時，已分類為持作待售之俄羅斯赤塔森林業務及房地產業務之資產及負債主要類別如下：

		Note 附註	2010 二零一零年 Chita forests operation 赤塔森林業務 HK\$'000 港幣千元	2009 二零零九年 Real estate 房地產 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	18	71,498	858
Interests in leasehold land held for own use under operating leases	根據經營租約持有作自用之租約土地權益	19	–	270
Intangible assets	無形資產	20	161,947	–
Properties under development for sale	待售發展中物業		–	33,838
Inventories	存貨		1,022	–
Trade and other receivables	應收貿易款項及其他應收款項		1,907	5,314
Amount due from a non-controlling shareholder	應收一名非控股股東款項	(i)	66,660	–
Pledged bank deposits	已抵押銀行存款		–	2,568
Cash and cash equivalents	現金及現金等價物	29	2	335
Assets classified as held for sale	分類為持有作待售資產		303,036	43,183
Trade and other payables	應付貿易款項及其他應付款項		26,391	9,081
Bank loans, secured	有抵押之銀行貸款	(ii)	10,416	–
Other loans, secured	有抵押之其他貸款	(iii)	6,550	–
Other loans, unsecured	有抵押之其他貸款	(iv)	2,424	–
Consideration payable	應付代價		5,000	–
Finance lease payables	應付融資租約		10,095	–
Deferred tax liabilities	遞延稅項負債	35	38,047	4,750
Liabilities associated with assets classified as held for sale	與分類為持作待售資產相關之負債		98,923	13,831

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30. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (Continued)

(i) Amount due from a non-controlling shareholder

The amount is unsecured and interest-free. In the opinion of the directors, the amount is expected to be realised within twelve months from the reporting date.

Under the repayment agreement entered between the non-controlling shareholder and Amplewell, the non-controlling shareholder agrees to dispose part of his shares in Winner Global and ordinary shares in the Company for the repayment of the amount due to the Group. The amount is also guaranteed by a related company, Assure Gain International Limited which owns 43.38% interests in Winner Global. Under the guarantee agreement, the related company agrees to dispose sufficient shares in the Company to repay the outstanding amount in the event of default by the non-controlling shareholder.

(ii) Bank loans, secured

Associated with assets held for sale, there were total banking facilities of HK\$10,416,000 which has been utilised. The loans were secured by the subsidiary's machinery and construction in progress with carrying amount of HK\$1,334,000 and HK\$881,000 respectively and the personal assets given by a non-controlling shareholder. The loans are bearing fixed interest rate at 16% to 17% per annum and repayable within one year.

(iii) Other loans, secured

The loans were secured by the subsidiary's building with carrying amount of HK\$283,000 and the personal assets given by a non-controlling shareholder. The loans are bearing fixed interest rate at 3% to 5% per annum and repayable within one year.

(iv) Other loans, unsecured

Out of the amount of HK\$2,424,000, HK\$1,317,000 are bearing fixed interest rate at 5% per annum and repayable more than one year but not more than two years, HK\$158,000 is interest free and repayable within one year and the remaining HK\$949,000 is bearing fixed interest rate at 16% per annum and repayable within one year.

30. 分類為持作待售資產及負債(續)

(i) 應收一名非控股股東款項

有關款項為無抵押及免息。董事認為，有關款項預期將自呈報日期起計十二個月內變現。

根據非控股股東與沛源訂立之償還協議，非控股股東同意出售彼於Winner Global之部分股份及本公司普通股，以償還結欠本集團之款項。該款項亦由關連公司Assure Gain International Limited擔保，Assure Gain International Limited擁有Winner Global之43.38%權益。根據擔保協議，於非控股股東拖欠款項之情況下，關連公司同意出售足以償還尚未償還金額之本公司股份。

(ii) 有抵押之銀行貸款

與分類為持有作待售資產相關之銀行融資總額港幣10,416,000元已動用。貸款以賬面值分別為港幣1,334,000元及港幣881,000元之附屬公司機器及在建工程以及非控股股東提供之個人資產抵押。貸款按固定年利率16厘至17厘計息及須於一年內償還。

(iii) 有抵押之其他貸款

貸款以賬面值為港幣283,000元之附屬公司樓宇及非控股股東提供之個人資產抵押。貸款按固定年利率3厘至5厘計息及須於一年內償還。

(iv) 無抵押之其他貸款

款項港幣2,424,000元當中，港幣1,317,000元按固定年利率5厘計息及須於一年後但不超過兩年償還，港幣158,000元為免息及須於一年內償還，而餘額港幣949,000元按固定年利率16厘計息及須於一年內償還。

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31. TRADE AND OTHER PAYABLES

31. 應付貿易款項及其他應付款項

		Note 附註	The Group 本集團		The Company 本公司	
			2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Trade payables	應付貿易款項	a	91,054	17,807	-	-
Cash consideration payable for acquisition of biological assets	收購生物資產之應付現金代價	b	26,598	-	-	-
Retention payables	應付保留金	c	-	3,575	-	-
Other payables and accruals	其他應付款項及應計費用		7,315	3,774	1,561	1,230
Amount due to a director	應付一名董事款項	d	92	-	-	-
Amounts due to non-controlling shareholders	應付非控股股東款項	e	-	1,248	-	-
Financial liabilities measured at amortised costs	按攤銷成本計量之財務負債		125,059	26,404	1,561	1,230

Except for the retention payables as stated in note 31(c), all of the trade and other payables are expected to be repaid within one year.

除附註31(c)所述應付保留金外，所有應付貿易款項及其他應付款項預期將於一年內結清。

(a) Trade payables

An aging analysis of the Group's trade payables as at the end of the reporting period, based on invoiced date, was as follows:

(a) 應付貿易款項

於報告期終時，按發票日期計算之本集團應付貿易款項之賬齡分析如下：

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
0 to 30 days	0至30日	90,545	16,201
Over 90 days	90日以上	509	1,606
		91,054	17,807

(b) Cash consideration payable for acquisition of biological assets

(b) 收購生物資產之應付現金代價

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
At beginning of the year	於年初	-	-
Acquisition of subsidiaries (note 44)	收購附屬公司(附註44)	67,294	-
Settlement	償還	(44,330)	-
Exchange movement	匯兌變動	3,634	-
At end of the year	於年終	26,598	-

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31. TRADE AND OTHER PAYABLES (Continued)

(c) Retention payables

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Due within one year	一年內到期	-	683
Due more than one year	一年後到期	-	2,892
		-	3,575

(d) Amount due to a director

The amount was unsecured, interest free and had no fixed terms of repayment.

(e) Amounts due to non-controlling shareholders

The amounts were unsecured, interest free and had no fixed terms of repayment.

31. 應付貿易款項及其他應付款項

(續)

(c) 應付保留金

(d) 應付一名董事款項

有關款項為無抵押、免息及無固定還款期。

(e) 應付非控股股東款項

有關款項為無抵押、免息及無固定還款期。

32. BANK LOANS AND OVERDRAFTS

		Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Bank overdrafts, secured	有抵押之銀行透支	29	-	4,041
Bank loans, secured	有抵押之銀行貸款		506	12,265
			506	16,306
Carrying amount repayable:	於以下期間須償還之賬面值：			
On demand or within one year	應要求或一年內		209	16,306
More than one year but not exceeding two years	超過一年但不超過兩年		209	-
More than two years but not more than five years	超過兩年但不超過五年		88	-
			506	16,306
Less: Amounts due within one year shown under current liabilities	減：流動負債項下列為於一年內到期之款項		(209)	(16,306)
Non-current liabilities	非流動負債		297	-

32. 銀行貸款及透支

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32. BANK LOANS AND OVERDRAFTS (Continued)

- (a) As at 31 March 2010, the Group had total banking facilities of HK\$10,922,000, all of which had been utilised. Out of the total bank borrowings, HK\$10,416,000 was classified as liabilities associated with assets held for sale (note 30).

The bank loans of HK\$506,000 were secured by the Group's motor vehicles with a carrying amount of HK\$976,000 (note 18) and is bearing interest at a fixed rate of 20.27% to 23.87% per annum.

- (b) As at 31 March 2009, the Group had banking facilities of HK\$50,126,000 of which HK\$28,560,000 had been utilised. The Group's banking facilities were secured by:

- (i) pledged bank deposits of HK\$50,500,000;
- (ii) corporate guarantees to the extent of HK\$42,500,000 given by a non-controlling shareholder;
- (iii) corporate guarantees given by the Company and cross corporate guarantees among subsidiaries; and
- (iv) floating charges over receivables of HK\$30,008,000 held by two subsidiaries of the Group.

The bank loans and overdrafts bear interest at variable rates. The range of effective interest rates (which are also equal to contractual interest rates) on the Group's bank loans and overdrafts are at market rates ranging from 5% to 5.5% per annum.

32. 銀行貸款及透支(續)

- (a) 於二零一零年三月三十一日，本集團有銀行融資總額港幣10,922,000元已全數動用。銀行借貸總額當中，港幣10,416,000元已分類為與持作待售資產有關之負債(附註30)。

銀行貸款港幣506,000元乃以賬面值為港幣976,000元之本集團汽車(附註18)作抵押，並按固定年利率20.27厘至23.87厘計息。

- (b) 於二零零九年三月三十一日，本集團有銀行融資港幣50,126,000元，其中港幣28,560,000元已動用。本集團之銀行融資以下列項目作抵押：

- (i) 已抵押銀行存款港幣50,500,000元；
- (ii) 由非控股股東作出之公司擔保港幣42,500,000元；
- (iii) 由本公司作出之公司擔保及各附屬公司間作出之交叉公司擔保；及
- (iv) 本集團旗下兩間附屬公司持有之應收款項港幣30,008,000元之浮動押記。

銀行貸款及透支以浮動利率計息。本集團銀行貸款及透支之實際利率範圍(亦與合約利率相同)乃按市場年利率介乎5厘至5.5厘計息。

33. CONSIDERATION PAYABLES

33. 應付代價

	Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Fair value of second tranche convertible preference shares to be issued	將予發行第二批優先股份之公平值 44	93,933	—

According to the sale and purchase agreement for acquisition of Amplewell, a maximum number of 1,402,000,000 second tranche convertible preference shares ("STCPS") in the aggregate principal amount of HK\$77,110,000 at an issue price of HK\$0.055 per share will be issued to Winner Global by the Company (note 44). The fair value of the STCPS to be issued was HK\$93,933,000 at the date of completion of the acquisition. The fair value of STCPS was determined by GCA. GCA has considered the non-voting rights of the convertible preference shares and applied a discount rate of 6.5% on lack of voting right in valuing the fair value of the STCPS.

根據收購沛源之買賣協議，本公司將以發行價每股港幣0.055元向Winner Global發行最多1,402,000,000股第二批可換股優先股份(「第二批可換股優先股份」)，本金總額為港幣77,110,000元(附註44)。將予發行之第二批可換股優先股份於收購完成日期之公平值為港幣93,933,000元。第二批可換股優先股份之公平值乃由漢華評值釐訂。漢華評值已考慮可換股優先股份為並無投票權，而於評估第二批可換股優先股份之公平值時亦因無投票權已採用6.5%之折讓率。

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34. SEASONALITY OF OPERATIONS

The Group's forest operations in Brazil is located in the Amazon and is subject to weather conditions during the rainy season ranging roughly from December to April each year. Forest logging activities in the Amazon are substantially scaled down or stopped completely in some areas. Log prices usually increase during the rainy season due to diminished supplies. This affects many sawmill operators that have to stock up logs and tie up significant working capital, but benefits forest owners who can plan ahead to reserve stock pile prior to the start of the rainy season. The Group incorporates this seasonality in its forest management plan to avoid supply shortage as well as to take advantage of seasonal price differentials in logs.

35. DEFERRED TAX LIABILITIES

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movement during the year is as follows:

		Consolidated statement of financial position 綜合財務狀況表			Classified as assets held for sale (note 30) 分類為持作待售資產(附註30)				
		Property, plant and equipment 物業、廠房 及設備 HK\$'000 港幣千元	Biological assets 生物資產 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	Chita forests operation 赤塔森林業務		Real estate 房地產		Total 總計 HK\$'000 港幣千元
					Property, plant and equipment 物業、廠房 及設備 HK\$'000 港幣千元	Intangible assets 無形資產 HK\$'000 港幣千元	Property under development 發展中 待售物業 HK\$'000 港幣千元		
At 1 April 2008	於二零零八年四月一日	-	-	-	8,765	-	10,814	19,579	19,579
Disposal of subsidiaries (note 45b)	出售附屬公司(附註45b)	-	-	-	(8,765)	-	-	(8,765)	(8,765)
Credited to consolidated income statement	計入綜合收益表	-	-	-	-	-	(3,522)	(3,522)	(3,522)
Tax effect on change in tax rate	稅率變動之稅務影響	-	-	-	-	-	(2,622)	(2,622)	(2,622)
Exchange movement	匯兌變動	-	-	-	-	-	80	80	80
At 31 March 2009	於二零零九年三月三十一日	-	-	-	-	-	4,750	4,750	4,750
At 1 April 2009	於二零零九年四月一日	-	-	-	-	-	4,750	4,750	4,750
Acquisition of subsidiaries (note 44)	收購附屬公司(附註44)	66,404	118,802	185,206	8,125	30,988	-	39,113	224,319
Charged/(credited) to consolidated income statement	扣自/(計入)綜合收益表	-	125,479	125,479	-	(1,139)	(52)	(1,191)	124,288
Exchange movement	匯兌變動	124	(1,622)	(1,498)	16	57	(80)	(7)	(1,505)
Disposal of subsidiaries (note 45a)	出售附屬公司(附註45a)	-	-	-	-	-	(4,618)	(4,618)	(4,618)
At 31 March 2010	於二零一零年三月三十一日	66,528	242,659	309,187	8,141	29,906	-	38,047	347,234

At 31 March 2010 and 2009, the Group has tax losses arising in Hong Kong of HK\$64,969,000 and HK\$48,841,000 respectively that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised as it is not probable that future taxable profits against which the losses can be utilised will be available for the companies in which losses arose. The tax losses do not expire under current tax legislation.

Save as disclosed above, there was no other significant deferred tax liabilities that is required to be provided for in the consolidated financial statements for the years ended 31 March 2010 and 2009.

34. 業務之季節性因素

本集團於巴西之林業業務位於亞馬遜，於雨季受天氣狀況所限制，而雨季一般為每年十二月至四月。亞馬遜森林砍伐活動規模大幅減少，於若干地區更加完全停止。木材價格一般於雨季上升，乃由於供應減少所致。此影響多家鋸木廠經營者，該等經營者儲起木材及備有大量營運資金，但此情況將為森林擁有着帶來好處，彼等可計劃於雨季前儲備充足木材。本集團將此季節性因素加入森林管理計劃，以避免供應短缺，並可受惠於木材季節性價格變動。

35. 遞延稅項負債

於綜合財務狀況表確認之遞延稅項負債之組成部分及其年內變動如下：

於二零一零年及二零零九年三月三十一日，本集團在香港產生之稅項虧損分別港幣64,969,000元及港幣48,841,000元可與產生虧損之公司日後應課稅溢利抵銷。由於用作抵銷日後應課稅溢利遞延稅項資產之虧損不可能供產生虧損公司動用，故並無確認遞延稅項資產。根據現行稅法，稅務虧損不會到期。

除上文披露者外，概無其他重大遞延稅項負債須於截至二零一零年及二零零九年三月三十一日止年度之綜合財務報告中撥備。

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36. AMOUNTS DUE TO SHAREHOLDERS

36. 應付股東款項

			2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
		Note 附註		
Ms. Loh	樂家宜	(a)	37,989	—
Winner Global		(b)	41,886	—
Lim Ping Wai	林萍惠	(c)	7,852	—
New Premier Holdings Limited		(c)	30,209	—
			117,936	—

Notes:

- (a) The amount was unsecured, bearing interest at 5% per annum and repayable on 1 July 2011. Subsequent to the reporting date, an amount of HK\$32,306,000 was repaid.
- (b) The amount was unsecured, bearing interest at 5% per annum and repayable on 1 July 2011.
- (c) The amounts were unsecured, bearing interest at 5% per annum and repayable on 30 December 2011. Subsequent to the reporting date, the amounts were fully repaid.

附註：

- (a) 有關款項為無抵押、按年利率5厘計息及須於二零一一年七月一日償還。於呈報日期後，已償還港幣32,306,000元。
- (b) 有關款項為無抵押、按年利率5厘計息及須於二零一一年七月一日償還。
- (c) 有關款項為無抵押、按年利率5厘計息及須於二零一一年十二月三十日償還。於呈報日期後，有關款項已悉數償還。

37. AMOUNTS DUE TO RELATED COMPANIES

37. 應付關連公司款項

			2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
		Note 附註		
Universal Timber Resources Limited		(a)	52,055	—
Value Creation Partners Company Limited		(b)	2,036	—
			54,091	—

Notes:

- (a) The amount was unsecured, bearing interest at 5% per annum and repayable on 1 July 2011. Subsequent to the reporting date, the amount was fully repaid.
- (b) The amount was unsecured, bearing interest at 5% per annum and repayable on 1 July 2011.

附註：

- (a) 有關款項為無抵押、按年利率5厘計息及須於二零一一年七月一日償還。於呈報日期後，有關款項已悉數償還。
- (b) 有關款項為無抵押、按年利率5厘計息及須於二零一一年七月一日償還。

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永保林業控股有限公司 二零零九／二零一零年年報

38. CONVERTIBLE NOTE

The Group and the Company

On 6 March 2008, the Company issued convertible note in an aggregate principal amount of HK\$1,092,000,000 at 1.5% interest per annum payable annually in arrear. Subject to certain adjustments, the convertible note will be convertible into the ordinary shares of the Company at an initial conversion price of HK\$0.52 per share. The Company will redeem the convertible note on the maturity date (i.e. 5 March 2013) at 100% of its outstanding principal amount together with the accrued interest.

Conversion may occur at any time between 6 March 2008 and 5 March 2013. However, the holder of the convertible note shall not exercise the conversion rights to such an extent that results or will result in (a) the holder and any person acting in concert with it holding or having more than 29% of the then issued ordinary share capital of the Company or otherwise being obliged to make a general offer for the ordinary share capital of the Company in accordance with the Hong Kong Code on Takeovers and Mergers or (b) the Company in breach of any provision of the Listing Rules including the minimum 25% public float requirement.

The convertible note may be assigned or transferred (in integral multiple of HK\$500,000) to any third party (whether such party is a connected person of the Company or not) subject to the Listing Rules and the applicable law. The Company undertakes to notify the Stock Exchange upon becoming aware of any dealings in the convertible note by any connected persons of the Company as defined in the Listing Rules.

The convertible note contained two components, the liability and the equity components. The equity component is presented in equity as an "Equity component reserve". The effective interest rate of the liability component is approximately 6.75%.

38. 可換股票據

本集團及本公司

於二零零八年三月六日，本公司發行本金總額港幣1,092,000,000元之可換股票據。可換股票據之年息為1.5厘，須按年支付。可換股票據可作出若干調整，並可按每股港幣0.52元之初步換股價轉換為本公司普通股。本公司將於到期日（即二零一三年三月五日），按可換股票據之未償還本金額的100%連同累計利息贖回可換股票據。

可換股票據持有人可於二零零八年三月六日至二零一三年三月五日期間隨時換股。然而，可換股票據持有人不得行使換股權致使或將會致使(a)有關持有人及任何與其一致行動人士持有或擁有本公司當時已發行普通股本之29%以上或須另行根據香港公司收購及合併守則對本公司普通股股本提出全面收購建議或(b)本公司違反上市規則之任何條文（包括最低25%之公眾持股量規定）。

在符合上市規則及適用法律之情況下，可換股票據可以港幣500,000元之完整倍數指讓或轉讓予任何第三方（不論該方是否為本公司之關連人士）。本公司承諾，當其知悉本公司任何關連人士（定義見上市規則）買賣可換股票據時，將會通知聯交所。

可換股票據包含兩部分－負債及權益部分。權益部分於「權益部分儲備」中列作權益。負債部分之實際利率約為6.75厘。

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38. CONVERTIBLE NOTE (Continued)

The Group and the Company (Continued)

The movement of the liability component of the convertible note for the year was set out below:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
At beginning of the year	於年初	-	855,213
Interest charged	已付利息	-	45,963
Reclassification of interest payable from accruals	重新分類應計費用之應付利息	-	1,167
Interest waived	已豁免利息	-	(47,130)
Cancellation of convertible note	註銷可換股票據	-	(650,382)
Difference between the fair value and carrying amount on Ling Kit Disposal credited to consolidated income statement	計入綜合收益表連傑出售事項公平值與賬面值之差額	-	(204,831)
At end of the year	於年終	-	-

As stated in note 14(b), on 15 August 2008, Pure Hope Development Limited, the holder of the convertible note and the Company had agreed to cancel the convertible note which was issued on 6 March 2008 to satisfy part of consideration for the Ling Kit Disposal. The fair value of the liability component of the convertible note at the date of completion of the Ling Kit Disposal was HK\$650,382,000, which had been based upon to calculate the loss on the Ling Kit Disposal as disclosed in note 45(b). The difference between the carrying amount and the fair value of the liability component of the convertible note as of 31 March 2009 of HK\$204,831,000 had been credited to the consolidated income statement upon cancellation of the convertible note.

38. 可換股票據(續)

本集團及本公司(續)

可換股票據之負債部分於本年度之變動載列如下：

誠如附註14(b)所載，於二零零八年八月十五日可換股票據持有人Pure Hope Development Limited與本公司已協定註銷於二零零八年三月六日發行之可換股票據，以支付連傑出售事項部分代價。可換股票據負債部分於連傑出售事項完成日期之公平值為港幣650,382,000元，乃以附註45(b)所披露連傑出售事項之虧損計算。可換股票據負債部分賬面值與公平值於二零零九年三月三十一日之差額港幣204,831,000元，已於註銷可換股票據時計入綜合收益表。

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39. PROMISSORY NOTES The Group and the Company

39. 承付票據 本集團及本公司

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
At beginning of the year	於年初	-	320,000
Promissory notes issued	已發行承付票據	191,911	-
Accrued interests	累計利息	7,423	16,951
Repayment	償還	(174,717)	-
Reclassification of interest payable from accruals	應計費用之應付利息重新分類	-	684
Interest waived	已豁免利息	-	(17,635)
Cancellation of promissory note	註銷承付票據	-	(231,910)
Difference between the fair value and carrying amount on Ling Kit Disposal credited to the consolidated income statement	計入綜合收益表連傑出售事項公平值與賬面值之差額	-	(88,090)
At end of the year	於年終	24,617	-

(a) On 31 July 2009, the Company issued promissory notes in an aggregate principal amount of HK\$232,000,000 as part of the consideration for acquisition of Amplewell (note 44). The promissory notes bear interest at 2% per annum. The interest shall be repaid together with principal in one lump sum upon maturity on 31 January 2011. The promissory notes may be assigned or transferred (in integral multiple of HK\$1,000,000) to any third party (other than a connected person as defined in the Listing Rules) subject to the Listing Rules and the applicable laws. The Company may repay all or part of the principal amount and interest at any time prior to the maturity date (i.e. 31 January 2011) by giving the holder not less than seven days' prior written notice specifying the amount and date of repayment provided that the amount shall be at least HK\$1,000,000. Otherwise, the payment of principal and interest payment of promissory notes shall be made in full upon the maturity date.

The fair value of the promissory notes at the date of issuance was HK\$191,911,000, which was determined by GCA. Valuations were made on the basis of effective interest method which is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate used in the calculation of the fair value is 15.74%.

(a) 於二零零九年七月三十一日，本公司發行本金總額為港幣232,000,000元之承付票據，作為收購沛源之部分代價(附註44)。承付票據按年利率2厘計息。利息連同本金於二零一一年一月三十一日到期，屆時一次過償還。在符合上市規則及適用法律之情況，承付票據將可以港幣1,000,000元之完整倍數指讓或轉讓予任何第三方，惟上市規則所界定關連人士除外。本公司可於到期日(即二零一一年一月三十一日)前任何時間償還全部或部分本金額及利息，方式為向持有人發出不少於七日的事先書面通知，列明所償還之款項及還款日期，而償還金額須最少為港幣1,000,000元。否則，承付票據之本金及利息須於到期日悉數支付。

承付票據於發行日期之公平值為港幣191,911,000元，乃由漢華評值釐訂。估值乃按實際利率法作出，其為計算財務資產或財務負債攤銷成本及於相關期間分配利息收入或利息開支之方法。計算公平值所用實際利率為15.74%。

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39. PROMISSORY NOTES (Continued)

(a) (Continued)

The promissory notes are held by a substantial shareholder. On 23 September 2009, the Company made repayment of promissory note with carrying amount of HK\$84,529,000 at par value for HK\$100,000,000. On 2 November 2009, the Company made another repayment of promissory notes with carrying amount of HK\$90,188,000 at par value for HK\$105,000,000. The excess of the repayment amount over the carrying amount of HK\$30,283,000 was accounted for as distribution to the shareholder. Given that the Company has the legal obligation to settle the full face value of the promissory notes for the aforesaid acquisition, the directors considered the excess of HK\$30,283,000 arising from accounting treatment is not in substance an expense to the Company. The directors considered that the excess shall be accounted for as a deemed capital distribution to the shareholder and recorded as a transaction with owners and charged to the contributed surplus account.

- (b) On 6 March 2008, the Company issued promissory note in an aggregate principal amount of HK\$320,000,000. Interest shall accrue on the principle amount of the promissory note at 3% per annum and payable annually in arrear. The promissory note may be assigned or transferred (in integral multiple of HK\$500,000) to any third party (whether such party is a connected person to the Company or not) subject to the Listing Rules and the applicable laws. The Company may repay all or part of the principle amount at any time prior to the maturity date (i.e. 5 March 2012) by giving the holder not less than seven days' prior written notice specifying the amount and date of repayment provided that the amount shall be at least HK\$500,000. Otherwise, the payment of principal and last interest payment of promissory notes shall be made in full upon the maturity date.

As stated in note 14(b), on 15 August 2008, PHL, the holder of the promissory note and the Company had agreed to cancel the promissory note to satisfy part of the consideration for the Ling Kit Disposal. The fair value of the promissory note at the date of completion of the Ling Kit Disposal was HK\$231,910,000, which had been used to calculate the loss on the Ling Kit Disposal as disclosed in note 45(b). The difference between the carrying amount and the fair value of the promissory note of HK\$88,090,000 has been credited to the consolidated income statement upon cancellation of the promissory note.

39. 承付票據(續)

(a) (續)

承付票據乃由一名主要股東持有。於二零零九年九月二十三日，本公司以面值港幣100,000,000元向股東償還賬面值港幣84,529,000元之承付票據。於二零零九年十一月二日，本公司另行以面值港幣105,000,000元償還賬面值港幣90,188,000元之承付票據。償還金額超出賬面值之金額港幣30,283,000元入賬列作股東分派。基於本公司有法律責任就上述收購償付承付票據之全數面值，董事認為會計處理所產生超出金額港幣30,283,000元並非本公司之實際開支。董事認為，超出金額應入賬列作視作股東資本分派，並記錄為與擁有人進行之交易及於實繳盈餘賬扣除。

- (b) 於二零零八年三月六日，本公司發行本金總額為港幣320,000,000元之承付票據。利息將根據承付票據之本金額按年利率3厘累計，並須每年付息。在符合上市規則及適用法律之情況，承付票據將可以港幣500,000元之完整倍數指讓或轉讓予任何第三方(不論該方是否為本公司之關連人士)。本公司可於到期日(即二零一二年三月五日)前任何時間償還全部或部分本金額，方式為向持有人發出不少於七日的事先書面通知，列明所償還之款項及還款日期，而償還金額須最少為港幣500,000元。否則，承付票據之本金及最後一期利息須於到期日悉數支付。

誠如附註14(b)所載，承付票據持有人PHL於二零零八年八月十五日與本公司已協定註銷承付票據，以支付連傑出售事項部分代價。承付票據於連傑出售事項完成日期之公平值為港幣231,910,000元，乃以附註45(b)所披露連傑出售事項之虧損計算。承付票據賬面值與公平值之差額港幣88,090,000元，已於註銷承付票據時計入綜合收益表。

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40. SHARE CAPITAL

40. 股本

		Number of ordinary shares of HK\$0.1 per share 每股面值 港幣0.1元 之普通股數目	Number of ordinary shares of HK\$0.01 per share 每股面值 港幣0.01元 之普通股數目	Number of ordinary shares of HK\$0.0533 per share 每股面值 港幣0.0533元 之普通股數目	HK\$'000 港幣千元	Number of convertible preference shares of HK\$0.01 per share 每股面值 港幣0.01元 之可換股 優先股份數目	HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
	Note 附註	'000 千股	'000 千股	'000 千股		'000 千股		
Authorised:	法定：							
At 1 April 2008	於二零零八年四月一日	10,000,000	-	-	1,000,000	-	-	1,000,000
Share subdivision	股份拆細 (a)	(10,000,000)	100,000,000	-	-	-	-	-
Cancellation of shares	註銷股份 (a)	-	(90,000,000)	-	(900,000)	-	-	(900,000)
At 31 March and 1 April 2009	於二零零九年三月三十一日 及四月一日	-	10,000,000	-	100,000	-	-	100,000
Increase in authorised share capital	法定股本增加 (b)	-	35,000,000	-	350,000	27,534,000	275,340	625,340
Share consolidation	股份合併 (c)	-	(45,000,000)	8,437,500	-	-	-	-
At 31 March 2010	於二零一零年 三月三十一日	-	-	8,437,500	450,000	27,534,000	275,340	725,340
Issued and fully paid:	已發行及繳足：							
At 1 April 2008	於二零零八年四月一日	2,898,859	-	-	289,885	-	-	289,885
Issue of shares upon exercise of bonus warrants before share sub-division	於股份拆細前行使 紅利認股權證時 發行股份 (d)	52,217	-	-	5,222	-	-	5,222
Capital reduction	資本削減 (a)	(2,951,076)	2,951,076	-	(265,596)	-	-	(265,596)
Repurchase of shares	購回股份 (e)	-	(800,000)	-	(8,000)	-	-	(8,000)
At 31 March 2009 and 1 April 2009	於二零零九年三月三十一日 及二零零九年四月一日	-	2,151,076	-	21,511	-	-	21,511
Placing of new shares	配售新股 (f)	-	4,440,920	-	44,409	-	-	44,409
Consideration shares issued for the acquisition of subsidiaries	就收購附屬公司發行 代價股份 (g)	-	785,000	-	7,850	24,908,468	249,085	256,935
Conversion of convertible preference shares	兌換可換股優先股份 (j)	-	3,514,582	-	35,146	(3,514,582)	(35,146)	-
Share consolidation	股份合併 (c)	-	(10,891,578)	2,042,171	-	-	-	-
Conversion of convertible preference shares	兌換可換股優先股份 (j)	-	-	284,283	15,162	(1,516,178)	(15,162)	-
At 31 March 2010	於二零一零年三月三十一日	-	-	2,326,454	124,078	19,877,708	198,777	322,855

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40. SHARE CAPITAL (Continued)

Notes:

- (a) Pursuant to a special general meeting held on 19 December 2008, (i) the par value of each of the existing share was reduced from HK\$0.10 to HK\$0.01 by the cancellation of HK\$0.09 of the paid-up capital on each share; (ii) each of the authorised but unissued shares in the share capital of the Company of par value HK\$0.10 shall be sub-divided in 10 new shares of par value HK\$0.01 each and (iii) 90,000,000,000 shares of HK\$0.01 each in the authorised but unissued share capital of the Company was cancelled.
- (b) The Company's authorised share capital was increased from HK\$100,000,000 to HK\$725,340,000 by the creation of additional 35,000,000,000 ordinary shares of HK\$0.01 each and 27,534,000,000 convertible preference shares of HK\$0.01 each. The increase in authorised share capital of the Company was duly passed by the shareholders at the special general meeting held on 13 July 2009. The ordinary shares rank pari passu with the existing ordinary shares of the Company in all respects. The details of the convertible preference shares are set out in note 40(h).
- (c) Pursuant to an ordinary resolution passed by the shareholders of the Company at the special general meeting of the Company held on 27 November 2009, the consolidation of ordinary shares in the share capital of the Company (on the basis that every 16 then existing issued and unissued ordinary shares of HK\$0.01 each were consolidated into 3 ordinary shares of HK\$0.0533 each) was approved and became effective on 27 November 2009.
- (d) The Company issued 307,456,696 bonus warrants to those persons who have validly accepted and paid for the rights shares in the year ended 31 March 2007 ("Bonus Warrant"). The Bonus Warrant had been expired on 4 July 2008. During the year ended 31 March 2009, warrant-holders exercised the Bonus Warrant to subscribe for 52,217,000 ordinary shares in the Company, at an exercise price of HK\$0.10 each. The last day of subscription was 4 July 2008.
- (e) As mentioned in note 45(b)(i), as part of the consideration for disposal of the discontinued mining operation, the Company repurchased its own shares of 800,000,000 shares from off the market at a price of HK\$0.265 per share for a total consideration of HK\$212,000,000 during the year ended 31 March 2009. The shares were cancelled upon repurchase and accordingly the issued capital of the Company was reduced by the nominal value of these shares. The published price at the date of repurchase was HK\$0.054 per share. The premium of HK\$35,200,000 arising from the repurchase of shares was charged against share premium. An amount of HK\$8,000,000 equivalent to the nominal value of the shares cancelled was transferred from the accumulated losses to the capital redemption reserve.
- (f) On 30 July 2009, the Company completed the placing of 3,523,280,000 shares at HK\$0.055 per placing share to independent third parties pursuant to a placing agreement signed with President Securities (Hong Kong) Limited, placing agent, on 1 June 2009. The net proceeds raised from the placing approximated HK\$187.8 million.

On 22 October 2009, Sun Hung Kai Investment Services Limited, a placing agent, through a top-up placing agreement placed 917,640,000 shares at HK\$0.081 per share to independent placees pursuant to a placing agreement. The top-up subscription was completed on 27 October 2009 and net proceeds from the top-up subscription approximated HK\$72.0 million.

40. 股本(續)

附註：

- (a) 根據於二零零八年十二月十九日舉行之股東特別大會，(i)透過註銷每股股份之繳足資本港幣0.09元將每股現有股份之面值由港幣0.10元減至港幣0.01元；(ii)本公司股本中每股面值港幣0.10元之法定但未發行股份將分拆為10股每股面值港幣0.01元之新股份；及(iii)註銷本公司股本中每股面值港幣0.01元之法定但未發行股份90,000,000,000股。
- (b) 透過增設額外35,000,000,000股每股面值港幣0.01元之普通股及27,534,000,000股每股面值港幣0.01元之可換股優先股份，本公司之法定股本由港幣100,000,000,000元增至港幣725,340,000,000元。股東於二零零九年七月十三日舉行之股東特別大會上正式通過增加本公司法定股本。有關普通股於所有方面與本公司現有普通股享有同等地位。有關可換股優先股份之詳情載於附註40(h)。
- (c) 根據於二零零九年十一月二十七日舉行之本公司股東特別大會獲本公司股東通過之普通決議案，本公司股本中普通股合併(基準為當時每16股每股面值港幣0.01元之現有已發行及未發行普通股合併為3股每股面值港幣0.0533元之普通股)已獲批准，並於二零零九年十一月二十七日生效。
- (d) 本公司於截至二零零七年三月三十一日止年度向已有效接納供股股份並已支付股款之人士發行307,456,696份紅利認股權證(「紅利認股權證」)。紅利認股權證將於二零零八年七月四日屆滿。截至二零零九年三月三十一日止年度，認股權證持有人行使紅利認股權證以按行使價每股港幣0.10元認購52,217,000股本公司普通股。紅利認股權證之最後認購日期為二零零八年七月四日。
- (e) 誠如附註45(b)(i)所述，作為出售已終止採礦業務之部分代價，本公司於截至二零零九年三月三十一日止年度按每股港幣0.265元之價格在場外購回其本身800,000,000股股份，總代價為港幣212,000,000元。有關股份已於購回時註銷，本公司已發行股本因而按該等股份之面值削減。於購回日期已公佈之價格為每股港幣0.054元。購回股份所產生溢價港幣35,200,000元於股份溢價中扣除。相等於已註銷股份面值之金額港幣8,000,000元自累計虧損轉讓至股本贖回儲備。
- (f) 本公司於二零零九年七月三十日根據於二零零九年六月一日與配售代理統一證券(香港)有限公司訂立之配售協議向獨立第三方以每股配售股份港幣0.055元之價格完成配售3,523,280,000股股份。配售所得款項淨額約為港幣187,800,000元。

於二零零九年十月二十二日，配售代理新鴻基投資服務有限公司根據一份配售協議透過一份先舊後新配售協議向獨立承配人以每股港幣0.081元配售917,640,000股股份。先舊後新認購已於二零零九年十月二十七日完成，先舊後新認購之所得款項淨額約為港幣72,000,000元。

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40. SHARE CAPITAL (Continued)

Notes: (Continued)

- (g) On 31 July 2009, the Company allotted and issued 785,000,000 ordinary consideration shares with par value of HK\$0.01 each at HK\$0.055 per share as part of the consideration for the acquisition of Amplewell (note 44). On the same date, the Company allotted and issued 24,908,468,000 first tranche convertible preference shares with par value of HK\$0.01 each ("FTCPS") at an issue price of HK\$0.055 per share as part of the consideration for the acquisition of Amplewell.

The fair value of the 785,000,000 ordinary consideration shares issued of HK\$59,660,000 was based on the published price of the shares of the Company at 31 July 2009 of HK\$0.076 per share. The premium of HK\$51,810,000 upon issuance of the ordinary consideration shares was credited to the share premium account. The fair value of FTCPS of HK\$1,778,074,000 at 31 July 2009 was determined by GCA. The premium of HK\$1,528,989,000 upon issuance of the FTCPS was credited to the share premium account.

- (h) Convertible preference shares

The non-voting convertible preference shares ("Convertible Preference Shares") for the acquisition of the Amplewell Group (note 44) with a par value of HK\$0.01 each can be converted into ordinary shares without maturity date. The conversion price is at HK\$0.055 per ordinary share. The Convertible Preference Shares shall at all times rank equally among themselves and pari passu with all other shares of the Company in issue with respect of the right to any dividends or distributions declared.

The following are the other major terms of the Convertible Preference Shares:

In the event of liquidation or dissolution or winding up, or merger, or reorganisation that will result in any distribution of assets of the Company to the existing shareholders of the Company, the holders of the Convertible Preference Shares will receive an amount equal to 100% of the face value of the Convertible Preference Shares. In addition, the ranking of the Convertible Preference Shares is higher than ordinary shares, but lower than creditor in the case of liquidation.

The holder of each Convertible Preference Shares shall not have any voting rights. The Convertible Preference Shares shall be non-redeemable and will not be listed on any stock exchange.

The Group acquired Amplewell Group pursuant to the agreement dated 28 February 2009 (the "Agreement") entered into between Great Path Limited, a wholly owned subsidiary of the Company and Winner Global. According to the Agreement, each Convertible Preference Share shall be convertible at the option of the holders at any time after issue, provided that (i) any conversion of the Convertible Preference Shares shall not result in the aggregate voting rights in the Company held by the relevant holder of the Convertible Preference Shares who exercises the conversion rights and parties acting in concert with it exceeding 29.9%, or such other percentage as may then be the maximum percentage (to one decimal place) of issued Shares it could then acquire without being required to make a mandatory general offer for the Shares under the Takeovers Code or (ii) any conversion of the Convertible Preference Shares shall not result in the public float of the Shares falling below the minimum requirements of the Listing Rules.

- (i) During the period from 1 April 2009 to 27 November 2009 (the effective date of share consolidation), an aggregate of 3,514,582,142 new ordinary shares of HK\$0.01 each were issued upon the conversion of the same number of convertible preference shares of HK\$0.01 each.
- (j) During the period from 28 November 2009 to 31 March 2010, an aggregate of 284,283,333 new ordinary shares of HK\$0.0533 each were issued upon the conversion of 1,516,177,779 convertible preference share of HK\$0.01 each.

40. 股本(續)

附註：(續)

- (g) 於二零零九年七月三十一日，本公司以每股港幣0.055元配發及發行785,000,000股每股面值港幣0.01元之普通股代價股份，作為收購沛源之部分代價(附註44)。同日，本公司以發行價每股港幣0.055元配發及發行24,908,468,000股每股面值港幣0.01元之第一批可換股優先股份(「第一批可換股優先股份」)，作為收購沛源之部分代價。

785,000,000股已發行普通股代價股份之公平價值港幣59,660,000元乃根據本公司股份於二零零九年七月三十一日公佈之價格每股港幣0.076元計算。發行普通股代價股份之溢價港幣51,810,000元已計入股份溢價賬。第一批可換股優先股份於二零零九年七月三十一日之公平價值港幣1,778,074,000元乃由漢華評值釐定。發行第一批可換股優先股份之溢價港幣1,528,989,000元已計入股份溢價賬。

- (h) 可換股優先股份

有關收購沛源集團(附註44)每股面值港幣0.01元無投票權之可換股優先股份(「可換股優先股份」)可轉換為普通股，而並無設有到期日。換股價為每股普通股港幣0.055元。可換股優先股份於任何時候就所宣派之一切股息或分派方面之權利而言將於彼此之間及與本公司所有其他已發行股份享有同等地位。

以下為可換股優先股份之其他主要條款：

倘發生清盤、解散或結束業務，或合併、重組而致使任何本公司資產被分派予本公司現有股東，則可換股優先股份持有人將收取相等於可換股優先股份面值100%之數額。此外，倘發生清盤，可換股優先股份之地位高於普通股，但低於債權人。

每股可換股優先股份之持有人將無任何投票權。可換股優先股份為不可贖回，且不會於任何證券交易所上市。

本集團根據本公司全資附屬公司宏通有限公司與Winner Global所訂立日期為二零零九年二月二十八日之協議(「協議」)收購沛源集團。根據協議，每股可換股優先股份之持有人可於其發行後隨時選擇兌換，惟須(i)可換股優先股份之任何兌換將不會導致行使兌換權之可換股優先股份相關持有人及其一致行動人士於本公司持有之投票權超過29.9%，或其當時可購買而毋須根據收購守則就股份提出強制性全面收購建議之已發行股份最高百分比(調整至小數後一個位)或(ii)可換股優先股份之任何兌換不會導致股份之公眾持股量低於上市規則之最低規定。

- (i) 二零零九年四月一日至二零零九年十一月二十七日(股份合併生效日期)期間，於兌換合共3,514,582,142股每股面值港幣0.01元之可換股優先股份後，相同數目每股面值港幣0.01元之新普通股已予發行。
- (j) 二零零九年十一月二十八日至二零一零年三月三十一日期間，於兌換1,516,177,779股每股面值港幣0.01元之可換股優先股份後，合共284,283,333股每股面值港幣0.0533元之新普通股已予發行。

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41. WARRANTS

41. 認股權證

		2010 二零一零年		2009 二零零九年	
		No. of warrants 認股權證 數目 '000 千股	Amount 金額 HK\$'000 港幣千元	No. of warrants 認股權證 數目 '000 千股	Amount 金額 HK\$'000 港幣千元
At beginning of the year	於年初	-	-	52,880	5,289
Exercised during the year	於年內行使	-	-	(52,217)	(5,222)
Expired during the year	於年內屆滿	-	-	(663)	(67)
At end of the year	於年終	-	-	-	-

The warrant holders were entitled to subscribe in cash for one fully paid share of HK\$0.1 per share at an initial subscription price of HK\$0.1 per share (subject to adjustment) upon exercise of one bonus warrant. The bonus warrants could be exercisable at any time from the date on which bonus warrants are issued and listed on the Stock Exchange up to and including the day before the second anniversary of the issue date of the bonus warrants.

During the year ended 31 March 2009, 52,217,000 bonus warrants were exercised at an initial subscription price of HK\$0.1 per share.

認股權證持有人有權於行使一份紅利認股權證後按每股港幣0.1元(可予調整)之初步認購價以現金認購一股每股面值港幣0.1元之繳足股份。紅利認股權證可於紅利認股權證發行並於聯交所上市當日截至紅利認股權證發行日期之第二週年前一日止期間內隨時行使。

截至二零零九年三月三十一日止年度，52,217,000份紅利認股權證已按每股港幣0.1元之初步認購價行使。

42. SHARE OPTION SCHEME

On 27 November 2009, the Company terminated the share option scheme adopted by the Company on 9 September 2002 ("Old Scheme") and introduced a new share option scheme. There was no share option granted under the Old Scheme. The principal terms of the new scheme are as follows:

(a) Purpose

The purpose of the Scheme is to provide incentives and rewards to eligible participants who contribute to the success of the Group's operation.

(b) Eligible participants

Eligible participants of the share option scheme include the Company's directors, other employees of the Group, any customers, supplier of goods or services to any member of the Group or any Invested Entity who, in the sole discretion of the Board have contributed or will contribute to the growth and development of the Group.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5,000,000 within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

42. 購股權計劃

於二零零九年十一月二十七日，本公司終止本公司於二零零二年九月九日採納之購股權計劃(「舊計劃」)，並推出新購股權計劃。並無根據舊計劃授出任何購股權。新計劃之主要條款如下：

(a) 目的

計劃之目的為向為本集團之成功營運作出貢獻之合資格參與者給予鼓勵及回報。

(b) 合資格參與者

合資格參與者包括董事會全權酌情認為已經或將會對本集團之增長及發展作出貢獻之本公司董事、本集團其他僱員、本集團任何成員公司之任何客戶、貨品或服務供應商或任何投資實體。

向本公司董事、行政總裁或主要股東或彼等任何聯繫人士授出購股權須經獨立非執行董事事先批准。此外，倘於任何12個月期間內授予本公司主要股東或獨立非執行董事或彼等任何聯繫人士之任何購股權，超過本公司任何時間已發行股份之0.1%，或其總價值(根據本公司股份於授出當日之價格計算)超過港幣5,000,000元，則須經股東於股東大會上事先批准。

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42. SHARE OPTION SCHEME (Continued)

(c) Maximum number of shares

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue as at the date of passing the Ordinary Resolution on 27 November 2009. The total number of shares available for issue under the Scheme is 204,217,107, representing 8.78% of the issued share capital as at 31 March 2010.

(d) Maximum entitlement of each eligible participant

The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time.

(e) Option period

The Scheme became effective on 27 November 2009 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

(f) Acceptance of offer

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

(g) Exercise price

The Exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares.

(h) The remaining life of the Scheme

The directors shall be entitled at any time within 10 years commencing on 27 November 2009 to offer the grant of an option to any eligible participants.

55,250,924 share options were granted on 13 January 2010.

42. 購股權計劃(續)

(c) 股份數目上限

現時根據計劃可授出之未行使購股權獲行使時所涉及之股份數目，合共不得超過於二零零九年十一月二十七日通過普通決議案當日本公司已發行股份之10%。於二零一零年三月三十一日，根據計劃可發行之股份總數為204,217,107股，相當於已發行股本8.78%。

(d) 每名合資格參與者之權益上限

於任何12個月期間內向計劃項下每名合資格參與者授出之購股權可發行之股份總數，最多不得超過本公司任何時間已發行股份之1%。

(e) 購股權有效期

計劃由二零零九年十一月二十七日起生效。除非另行取消或修訂，否則計劃將自該日起計十年內有效。

(f) 接納建議

承授人可於建議授出購股權當日起計28日內通過支付象徵式代價合共港幣1元而接納購股權。所授出購股權之行使期由董事釐定，於若干歸屬日期後開始至不遲於建議授出購股權日期起計十年或計劃屆滿日期(以較早者為準)截止。

購股權並無賦予持有人獲發股息或於股東大會上投票之權利。

(g) 行使價

購股權之行使價由董事釐定，惟不得低於(i)建議授出購股權日期本公司股份在聯交所之收市價；及(ii)緊接建議授出購股權日期前五個交易日本公司股份在聯交所之平均收市價；及(iii)本公司股份之面值(以最高者為準)。

(h) 計劃之餘下有效期

董事可於二零零九年十一月二十七日起計10年內隨時向合資格參與者提出授出購股權之建議。

於二零一零年一月十三日，已授出55,250,924份購股權。

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42. SHARE OPTION SCHEME (Continued)

In assessing the theoretical aggregate value of the share options granted and fully accepted during the year ended 31 March 2010, the result of Binominal Option Pricing Model performed by GCA was used. In total, approximately HK\$2,157,000 was recognised as share-based payment expenses for the year ended 31 March 2010.

(a) The terms and conditions of the grants are as follows:

	Number of instruments 工具數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約年期
Options granted to directors: 授予董事之購股權：			
– on 13 January 2010 – 於二零一零年一月十三日	32,674,735	Three years from the date of grant 授出日期起計三年	10 years 十年
Options granted to employees: 授予僱員之購股權：			
– on 13 January 2010 – 於二零一零年一月十三日	12,365,334	Three years from the date of grant 授出日期起計三年	10 years 十年
– on 13 January 2010 – 於二零一零年一月十三日	10,210,855	Two years from the date of grant 授出日期起計兩年	10 years 十年
Total share options granted 已授出購股權總額	55,250,924		

(b) Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

42. 購股權計劃 (續)

於評估截至二零一零年三月三十一日止年度授出及全數接納之購股權理論總值時，已採用由漢華評值進行二項式期權定價模式之結果。截至二零一零年三月三十一日止年度，合共約港幣2,157,000元已確認為以股份支付開支。

(a) 授出購股權之條款及條件如下：

(b) 尚未行使購股權數目變動及其相關加權平均行使價如下：

		2010 二零一零年		2009 二零零九年	
		Average exercise price per share 每股平均 行使價 HK\$ 港幣	Number of shares issuable under options granted 購股權涉及之可發行 股份數目 '000 千股	Average exercise price per share 每股平均 行使價 HK\$ 港幣	Number of shares issuable under options granted 購股權涉及之可發行 股份數目 '000 千股
At beginning of the year	於年初	–	–	–	–
Granted	已授出	0.94	55,251	–	–
Forfeited	已沒收	0.94	(5,296)	–	–
At end of the year	於年終	0.94	49,955	–	–

The option outstanding as at 31 March 2010 have a weighted average remaining contractual life of 9.8 years (2009: N/A)

於二零一零年三月三十一日之尚未行使購股權之加權平均餘下合約年期為9.8年(二零零九年：不適用)。

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42. SHARE OPTION SCHEME (Continued)

- (c) The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on binomial option pricing model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial option pricing.

42. 購股權計劃(續)

- (c) 以授出購股權換取之服務公平值乃參考已授出購股權之公平值計量。已授出購股權之估計公平值按二項式期權定價模式計量。購股權之合約年期作為輸入該模式之數據，而預期提早行使已計入二項式期權定價模式之中。

		2010 二零一零年
Fair value of share options and assumptions	購股權之公平值及假設	
Share price	股價	HK\$港幣0.94元
Exercise price	行使價	HK\$港幣0.94元
Expected volatility (expressed as weighted average volatility used in the modeling under binomial option pricing)	預期波幅(根據二項式期權定價模式模擬時所用加權平均波幅)	70.572%
Option life (expressed as weighted average life used in the modeling under binomial option pricing model)	購股權年期(根據二項式期權定價模式模擬時所使用加權平均年期)	10 years年
Expected dividends	預期股息	HK\$Nil港幣零元
Risk-free interest rate (based on 10-year Hong Kong Exchange Fund Notes)	無風險利率(以十年期香港外匯基金票據為準)	2.799%

The expected volatility is based on annualized standard deviations of the continuously compounded rates of return on the share prices of five comparable companies in Hong Kong and Brazil Exchange with similar business operations. No dividends are expected as the Company had no history of payment of dividends.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

預期波幅乃以於香港及巴西證券交易所從事同類業務營運之五家可資比較公司之股價回報持續複合比率之年度標準差為基準。由於本公司過往並無派付股息記錄，故並不預期派付任何股息。

購股權乃根據服務條件而授出。此條件並無計入所得服務於授出日期之公平值。授出購股權並無附帶市場條件。

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43. RESERVES (a) The Group

43. 儲備 (a) 本集團

		Share premium	Contributed surplus	Distributable reserve	Capital redemption reserve	Property revaluation reserve	Fair value reserve	Equity component reserve	Exchange fluctuation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
Note	附註	HK\$'000	HK\$'000	可供分派儲備	股本贖回儲備	物業重估儲備	公平值儲備	權益部分儲備	匯兌波動儲備	累計虧損	小計	非控制權益	總計
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2008	於二零零八年四月一日	248,828	2,789	2,216	-	23,762	8,783	236,787	2,765	(157,628)	368,302	419,417	787,719
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	(12,707)	(12,707)	(20,033)	(32,740)
Disposal of subsidiaries	出售附屬公司	-	-	-	-	(23,699)	-	-	-	23,699	-	-	-
Gain on valuation of building	樓宇估值收益	-	-	-	-	37	-	-	-	-	37	15	52
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	-	-	-	-	-	-	-	307	-	307	179	486
Total other comprehensive (loss)/income	其他全面(虧損)/收入總額	-	-	-	-	(23,662)	-	-	307	23,699	344	194	538
Total comprehensive (loss)/income for the year	本年度全面(虧損)/收入總額	-	-	-	-	(23,662)	-	-	307	10,992	(12,363)	(19,839)	(32,202)
Transactions with owners	與擁有人進行之交易												
Capital reduction	資本削減	40(a)	82,264	-	-	-	-	-	-	183,332	265,596	-	265,596
Cancellation of convertible note	註銷可換股票據	-	-	-	-	-	-	(441,618)	-	-	(441,618)	-	(441,618)
Capital redemption reserve arising from repurchase of shares	購回股份產生之股本贖回儲備	-	-	-	8,000	-	-	-	-	(8,000)	-	-	-
Premium on repurchase of shares	購回股份之溢價	(35,200)	-	-	-	-	-	-	-	-	(35,200)	-	(35,200)
Transfer	轉撥	-	-	-	-	-	-	204,831	-	(204,831)	-	-	-
Capital contribution by a non-controlling shareholder	一名非控股股東注資	-	-	-	-	-	-	-	-	-	-	2	2
Disposal of subsidiaries	出售附屬公司	45(b)	-	-	-	-	-	-	-	-	-	(385,466)	(385,466)
Total transactions with owners	與擁有人進行之交易總額	(35,200)	82,264	-	8,000	-	-	(236,787)	-	(29,499)	(211,222)	(385,464)	(596,686)
At 31 March 2009	於二零零九年三月三十一日	213,628	85,053	2,216	8,000	100	8,783	-	3,072	(176,135)	144,717	14,114	158,831

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43. RESERVES (Continued)

(a) The Group (Continued)

43. 儲備(續)

(a) 本集團(續)

	Note	Share premium	Contributed surplus	Distributable reserve	Capital redemption reserve	Property revaluation reserve	Fair value reserve	Exchange fluctuation reserve	Share option reserve	Retained profits/(Accumulated losses)	Sub-total	Non-controlling interests	Total
	附註	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2009	於二零零九年四月一日	213,628	85,053	2,216	8,000	100	8,783	3,072	-	(176,135)	144,717	14,114	158,831
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	273,303	273,303	1,040	274,343
Disposal of subsidiaries	出售附屬公司	45(a)	-	-	-	(100)	(8,783)	(3,185)	-	8,883	(3,185)	-	(3,185)
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額		-	-	-	-	-	780	-	-	780	12	792
Total other comprehensive (loss)/income	本年度其他全面(虧損)/收入總額		-	-	-	(100)	(8,783)	(2,405)	-	8,883	(2,405)	12	(2,393)
Total comprehensive (loss)/income for the year	本年度全面(虧損)/收入總額		-	-	-	(100)	(8,783)	(2,405)	-	282,186	270,898	1,052	271,950
Placing of new shares	配售新股份	40(f)	223,700	-	-	-	-	-	-	-	223,700	-	223,700
Shares issue expenses	股份發行開支		(8,275)	-	-	-	-	-	-	-	(8,275)	-	(8,275)
Issuance of convertible preference shares	發行可換股優先股份	40(g)	1,528,989	-	-	-	-	-	-	-	1,528,989	-	1,528,989
Consideration shares issued for acquisition of subsidiaries	就收購附屬公司發行代價股份	40(g)	51,810	-	-	-	-	-	-	-	51,810	-	51,810
Deemed capital distribution	視作注資	39(a)	-	(30,283)	-	-	-	-	-	-	(30,283)	-	(30,283)
Issuance of share options	發行購股權		-	-	-	-	-	-	2,157	-	2,157	-	2,157
Forfeiture of share options	沒收購股權		-	-	-	-	-	-	(152)	152	-	-	-
Disposal of subsidiaries	出售附屬公司	45(a)	-	-	-	-	-	-	-	-	-	(15,131)	(15,131)
Acquisition of subsidiaries	收購附屬公司	44	-	-	-	-	-	-	-	-	-	27	27
Total transactions with owners	與擁有人進行之交易總額		1,796,224	(30,283)	-	-	-	-	2,005	152	1,768,098	(15,104)	1,752,994
At 31 March 2010	於二零一零年三月三十一日		2,009,852	54,770	2,216	8,000	-	667	2,005	106,203	2,183,713	62	2,183,775

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43. RESERVES (Continued)

(b) The Company

43. 儲備(續)

(b) 本公司

		Share premium	Contributed surplus	Distributable reserve	Capital redemption reserve	Equity component reserve	Share option reserve	Accumulated losses	Total
	Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	附註	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2008	於二零零八年四月一日	248,828	60,733	2,216	-	236,787	-	(183,332)	365,232
Premium on repurchase of shares	購回股份之溢價	(35,200)	-	-	-	-	-	-	(35,200)
Capital reduction	資本削減	-	82,264	-	-	-	-	183,332	265,596
Capital redemption reserve arising from repurchase of shares	購回股份產生之股本贖回儲備	-	-	-	8,000	-	-	(8,000)	-
Cancellation of convertible note	註銷可換股票據	-	-	-	-	(441,618)	-	-	(441,618)
Transfer	轉撥	-	-	-	-	204,831	-	(204,831)	-
Loss for the year	本年度虧損	-	-	-	-	-	-	(37,075)	(37,075)
At 31 March 2009	於二零零九年三月三十一日	213,628	142,997	2,216	8,000	-	-	(249,906)	116,935
At 1 April 2009	於二零零九年四月一日	213,628	142,997	2,216	8,000	-	-	(249,906)	116,935
Placing of new shares	配售新股份	223,700	-	-	-	-	-	-	223,700
Shares issue expenses	股份發行開支	(8,275)	-	-	-	-	-	-	(8,275)
Issuance of convertible preference shares	發行可換股優先股份	1,528,989	-	-	-	-	-	-	1,528,989
Consideration share issued for acquisition of subsidiaries	就收購附屬公司發行代價股份	51,810	-	-	-	-	-	-	51,810
Loss for the year	本年度虧損	-	-	-	-	-	-	(9,763)	(9,763)
Deemed capital distribution	視作注資	-	(30,283)	-	-	-	-	-	(30,283)
Issuance of share options	發行購股權	-	-	-	-	-	2,157	-	2,157
Forfeiture of share options	沒收購股權	-	-	-	-	-	(152)	152	-
At 31 March 2010	於二零一零年三月三十一日	2,009,852	112,714	2,216	8,000	-	2,005	(259,517)	1,875,270

(c) Nature of purposes of the reserves

(i) Share premium

The application of the share premium account is governed by section 40 of the Bermuda Companies Act 1981. The share premium account of the Company is distributable to the owners of the Company in the form of fully paid bonus shares.

(c) 儲備之性質及目的

(i) 股份溢價

股份溢價賬之用途受百慕達一九八一年公司法第40條管轄。本公司股份溢價賬以繳足紅股方式分派予本公司擁有人。

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43. RESERVES (Continued)

(c) Nature of purposes of the reserves (Continued)

(ii) Contributed surplus

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation in June 1991, over the nominal value of the Company's shares issued in exchange thereof. Under the Bermuda Companies Act 1981 (as amended), the contributed surplus is distributable to shareholders in certain circumstances.

(iii) Distributable reserve

Pursuant to a special resolution passed on 15 July 2003, the share premium account of the Company was reduced by an amount of HK\$103,948,000 to HK\$Nil and of which HK\$98,953,000 was applied towards the elimination of the accumulated losses of the Company as at 31 March 2003, with the remaining balance of HK\$4,995,000 being credited to a distributable reserve of the Company. The reduction of share premium account was effective on 6 October 2003.

(iv) Capital redemption reserve

The capital redemption reserve represents the amount paid by which the Company's issued share capital has been diminished on the cancellation of the shares repurchased.

(v) Property revaluation reserve

The revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for buildings held for own use in note 3(e).

(vi) Fair value reserve

The fair value reserve represents the difference between the fair value and carrying amount of the net assets attributable to the additional interest in a subsidiary being acquired on 20 October 2006 from a minority shareholder.

(vii) Equity component reserve

The value of the unexercised equity component of convertible notes issued by the Company recognised in accordance with the accounting policy adopted for convertible notes in note 3(m).

(viii) Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of the overseas subsidiaries. The reserve is dealt with in accordance with the accounting policy set out in note 3(v).

43. 儲備(續)

(c) 儲備之性質及目的(續)

(ii) 實繳盈餘

本公司之實繳盈餘為按本集團於一九九一年六月進行集團重組所收購附屬公司股份之公平值超逾本公司為交換該等股份而發行之股份面值之差額。根據百慕達一九八一年公司法(修訂本)，實繳盈餘可於若干情況分派予股東。

(iii) 可供分派儲備

根據於二零零三年七月十五日通過之特別決議案，本公司之股份溢價賬已削減港幣103,948,000元至港幣零元，當中港幣98,953,000元已用作撇銷本公司於二零零三年三月三十一日之累計虧損，而餘額港幣4,995,000元則計入本公司之可供分派儲備。削減股份溢價賬於二零零三年十月六日生效。

(iv) 股本贖回儲備

股本贖回儲備指本公司已發行股本削減至所購回股份被註銷所支付金額。

(v) 物業重估儲備

本集團已設立重估儲備並根據附註3(e)所載就持作自用樓宇採納之會計政策處理。

(vi) 公平值儲備

公平值儲備代表於二零零六年十月二十日向一名少數股東收購一間附屬公司額外權益應佔之資產淨值之公平值與賬面值之間差額。

(vii) 權益部分儲備

本公司發行之可換股票據的未行使權益部分之價值，乃根據附註3(m)所載就可換股票據採納之會計政策確認。

(viii) 匯兌波動儲備

匯兌波動儲備包括換算海外附屬公司財務報告產生之一切匯兌差額。該儲備乃根據附註3(v)所載會計政策處理。

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43. RESERVES (Continued)

(c) Nature of purposes of the reserves (Continued)

(ix) Share option reserve

Share options reserve comprise the fair value of the estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for share-based payments in note 3(r)(iii).

(d) Distributability of reserves

At 31 March 2010 and 2009, the aggregate amount of reserves available for the distribution to owners of the Company calculated in accordance with the Bermuda Companies Act 1981 (as amended) was HK\$1,873,265,000 and HK\$Nil respectively.

(e) Capital risk management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. For this purpose the Group defines net debt as total debt (which includes loan notes and other financial liabilities) less bank deposits and cash. Adjusted capital comprises all components of equity less unaccrued proposed dividends.

43. 儲備(續)

(c) 儲備之性質及目的(續)

(ix) 購股權儲備

購股權儲備包括根據附註3(r)(iii)就以股份支付所採納會計政策確認之授予本集團僱員未行使購股權估計數目之公平值。

(d) 儲備是否可予分派

於二零一零年及二零零九年三月三十一日，根據百慕達一九八一年公司法(經修訂)計算可供分派予本公司擁有人之儲備總額分別為港幣1,873,265,000元及港幣零元。

(e) 資本風險管理

本集團管理資本主要旨在保障本集團的持續經營能力，從而能夠繼續為股東帶來回報並且令其他利益相關者受惠，以及保持最佳資本架構以削減資金成本。

本集團積極及定期檢討及管理其資本架構，以維持較高借貸水平可能帶來較高股東回報與維持穩健資金狀況所帶來的裨益及保障之間的平衡，並因應經濟環境的轉變調整資本架構。

本集團按債務淨額對經調整資本比率之基準監察其資本結構。為此，本集團界定債務淨額為債務總額(包括貸款票據及其他財務負債)減銀行存款及現金。經調整資本包括權益之所有組成部分減去非累計擬派股息。

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43. RESERVES (Continued)

(e) Capital risk management (Continued)

During the year ended 31 March 2010, the Group's strategy, unchanged from 2009, was to maintain the net debt-to-adjusted capital ratio as low as feasible. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to owners, return capital to owners, issue new shares or sell assets to reduce debt. The debt-to-adjusted capital ratio at 31 March 2010 and 2009 were as follows:

43. 儲備(續)

(e) 資本風險管理(續)

截至二零一零年三月三十一日止年度，本集團採取與二零零九年度相同的策略，盡可能將債務淨額對經調整資本比率維持在低水平。為維持或調整該比率，本集團可調整向擁有人支付之股息金額、向擁有人返還資本、發行新股份或出售資產減債。於二零一零年及二零零九年三月三十一日，債務淨額對經調整資本比率如下：

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及其他應付款項	125,059	26,404
Bank loans and overdrafts	銀行貸款及透支	506	16,306
Consideration payables	應付代價	93,933	-
Amounts due to shareholders	應付股東款項	117,936	-
Amounts due to related companies	應付關連公司款項	54,091	-
Promissory notes	承付票據	24,617	-
Total debt	債務總額	416,142	42,710
Less: cash and cash equivalents pledged bank deposits	減：現金及銀行結餘 已抵押銀行存款	(36,820) -	(64,438) (50,500)
Net debt/(cash)	債務／(現金)淨額	379,322	(72,228)
Total equity	權益總額	2,506,630	180,342
Total capital	資本總額	2,885,952	108,114
Net debt-to-adjusted capital ratio	淨債務對經調整資本比率	13%	N/A

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

本公司或其任何附屬公司均無受外界施加的資本規定所規限。

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44. ACQUISITION OF SUBSIDIARIES

On 31 July 2009, the Group obtained control of Amplewell by acquiring 100% equity interest and voting rights in Amplewell. Amplewell is an investment holding company and its subsidiaries are engaged in sustainable management of and investments in natural forests; timber and wood processing; timber trading, sales and marketing from owned and leased natural forests in Brazil and Russia.

The Group is of the view that natural forests offer scarce, invaluable and non-replaceable essential natural resources. Supply of valuable hard and soft wood from old growth natural forests continues to shrink globally while demand has grown despite the global economic crisis. As it is difficult to increase significantly the supply of natural forests in the near term due to its long growth cycle, especially in tropical rain forests in South America. As such, long term supply is expected to continue to fall short of demand. Through the acquisition, the Group turns the timber resources from its sustainably managed natural forests in Brazil and Russia into a valuable and renewable source of raw materials.

The following summarises the acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration:

		Note 附註	HK\$'000 港幣千元
Cash	現金		70,500
Fair value of promissory notes issued	已發行承付票據之公平值	39	191,911
Fair value of ordinary consideration shares issued	已發行普通代價股份之公平值	40(g)	59,660
Fair value of first tranche convertible preference shares issued	已發行第一批可換股優先股份之公平值	40(g)	1,778,074
Fair value of second tranche convertible preference shares to be issued*	將發行之第二批可換股優先股份之公平值*	33	93,933
			2,194,078

* The number of second tranche convertible preference shares to be issued on the expiry date of the warranties (in relation to the terms and conditions of the acquisition such as the asset titles and contingent liabilities) given by Winner Global, being the date falling on the expiry of the eighteenth month from 31 July 2009 shall be reduced by a compensation if any to be paid by Winner Global determined in accordance with the agreement for purchase of Amplewell. The compensation related mainly to the Brazil Forest liabilities which comprises the total amount payable by Universal Timber Resources Do Brazil Participacao Ltda. ("UTR") as at 31 July 2009 to settle certain identified encumbrances, liabilities or obligations over or in such part of the Brazilian Forest acquired by UTR and any undisclosed liabilities, if any, as at 31 July 2009.

44. 收購附屬公司

於二零零九年七月三十一日，本集團透過收購沛源100%股本權益及投票權取得沛源之控制權。沛源為投資控股公司，其附屬公司於巴西及俄羅斯從事天然森林之可持續管理及投資；木材及木料加工；木材貿易以及銷售與營銷來自自置及租用之天然森林。

本集團認為，天然森林提供稀有、無價及不可取替之天然資源。儘管出現全球經濟危機，全球來自生長多年之天然森林之珍貴硬木及軟木供應持續減少，而需求一直增加。由於天然森林之生長循環較長，故其供應短期內難以顯著增加，特別是南美洲熱帶雨林，因此，預期長期繼續供不應求。透過進行收購，本集團將於巴西及俄羅斯天然森林之可持續管理木材資源，轉化為珍貴及可再生源材料資源。

以下概述已轉讓總代價於收購日期之公平值及各主要類別代價於收購日期之公平值：

* 將於Winner Global就收購資產擁有權及或然負債之條款及條件所作保證屆滿日期(即二零零九年七月三十一日起計第十八個月屆滿當日)發行之第二批可換股優先股份之數目，將減去Winner Global根據收購沛源之協議所釐定將支付之補償(如有)。補償主要有關巴西森林之負債，其包括Universal Timber Resources Do Brazil Participacao Ltda. ("UTR")於二零零九年七月三十一日應付之總金額，以清償若干已識別產權負擔、負債或UTR所收購巴西森林部分有關或當中責任以及於二零零九年七月三十一日任何未披露負債(如有)。

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44. ACQUISITION OF SUBSIDIARIES (Continued)

The fair value of ordinary consideration shares issued are based on the published share price of HK\$0.076 per share as at 31 July 2009. The fair value of promissory notes and convertible preference shares issued and to be issued was based on independent valuation carried out by GCA. The fair value of promissory notes is estimated based on effective interest method, using the coupon rate of 2% per annum and estimated effective interest rate of 15.74%.

The fair values of first and second tranche convertible preference shares are estimated based on combined approach, using the published share price of HK\$0.076 per share as at 31 July 2009 and applied a discount rate of 6.5% on lack of voting right.

44. 收購附屬公司(續)

已發行普通代價股份之公平值乃根據於二零零九年七月三十一日已公佈股價每股港幣0.076元計算。已發行及將發行承付票據及可換股優先股份之公平值乃由漢華評值獨立估值。承付票據之公平值以年息2厘及估計實際利率15.74厘，按實際利率法估計。

第一批及第二批可換股優先股份之公平值乃根據合併方法採用於二零零九年七月三十一日已公佈股價每股港幣0.076元及應用無表決權貼現率6.5%而進行估計。

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44. ACQUISITION OF SUBSIDIARIES (Continued)

The following summarised the recognised amounts of identifiable assets acquired and liabilities assumed as at 31 July 2009:

44. 收購附屬公司(續)

以下概述於二零零九年七月三十一日所收購可識別資產及所承擔負債之已確認金額：

			Acquiree's carrying amount before combination	Fair value adjustments	Fair value
		Note	合併前 被收購方之 賬面值	公平值調整	公平值
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	18	69,937	195,307	265,244
Intangible assets	無形資產	20	168,182	–	168,182
Biological assets	生物資產	21	461,747	–	461,747
Deposit for purchase of property, plant and equipment	收購物業、廠房及設備 之按金		2,469	–	2,469
Cash and cash equivalents	現金及現金等價物		5,967	–	5,967
Inventories	存貨		3,035	–	3,035
Trade and other receivables	應收貿易款項及其他應收款項	(a)	6,628	–	6,628
Amount due from a non-controlling shareholder	應收一名非控股股東款項		69,038	–	69,038
Bank and other borrowings	銀行及其他借貸		(24,312)	–	(24,312)
Finance lease payables	應付融資租約		(9,413)	–	(9,413)
Trade and other payables	應付貿易款項及其他應付款項		(27,398)	–	(27,398)
Cash consideration payable for acquisition of biological assets	收購生物資產應付現金代價	31(b)	(67,294)	–	(67,294)
Amount due to immediate holding company	應付直接控股公司款項		(5,000)	–	(5,000)
Amounts due to shareholders	應付股東款項		(57,185)	–	(57,185)
Amounts due to related companies	應付關連公司款項		(60,167)	–	(60,167)
Deferred tax liabilities	遞延稅項負債	35	(157,915)	(66,404)	(224,319)
Total net identifiable assets	可識別資產淨值總值		378,319	128,903	507,222
Non-controlling interests	非控制權益	(b)			(27)
Goodwill	商譽	(c)			1,686,883
Total consideration	總代價				2,194,078

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44. ACQUISITION OF SUBSIDIARIES (Continued)

Goodwill arising on acquisition

		HK\$'000 港幣千元
Consideration transferred	已轉讓代價	2,194,078
Plus: non-controlling interests	加：非控股權益	27
Less: fair value of identifiable net assets acquired	減：可識別已收購資產淨值之公平值	(507,222)
Goodwill arising on acquisition	收購產生之商譽	1,686,883

		HK\$'000 港幣千元
Net cash inflow/(outflow) arising on the acquisition	收購事項產生之現金流入/(流出)淨額	
Cash consideration paid*	已付現金代價*	(50,000)
Cash and cash equivalents acquired of	已收購之現金及現金等價物	5,967
		(44,033)

* Total cash consideration was HK\$70,500,000 of which HK\$15,500,000 was paid in last year as deposit for acquisition of subsidiaries, HK\$50,000,000 was paid during the year. The balance of consideration payable of HK\$5,000,000 was included in note 30.

* 現金代價總額為港幣70,500,000元，其中港幣15,500,000元於去年支付以作為收購附屬公司之按金，港幣50,000,000元則於年內支付。應付代價餘額港幣5,000,000元載於附註30。

- | | |
|--|---|
| <p>(a) The trade and other receivables in this transaction with a fair value of HK\$6,628,000 had gross contractual amounts of HK\$6,628,000. There is no expected uncollectible balance.</p> | <p>(a) 此項交易中公平值為港幣6,628,000元之應收貿易款項及其他應收款項之合約總額為港幣6,628,000元，亦並無預期無法收回之結餘。</p> |
| <p>(b) The non-controlling interests recognised at the acquisition date were measured by reference to the non-controlling interests proportionate share of the acquiree's identifiable net assets.</p> | <p>(b) 於收購日期確認之非控制權益乃參考被收購公司可識別資產淨值應佔非控制權益比例計量。</p> |
| <p>(c) The goodwill is attributable to:</p> <ul style="list-style-type: none"> (i) the acquired management expertise; (ii) the anticipated profitability from transforming the natural forest resources into valuable sawn timber; (iii) the long-term appreciation in value of scarce natural forest resources and processed timber products; (iv) revenue growth and future market development; (v) the synergies expected to arise from integration of the acquired businesses into the Group which has extensive connections in the potential markets in Asia Pacific including China; and (vi) the premium paid for acquisition of the control. | <p>(c) 商譽由以下各項分佔：</p> <ul style="list-style-type: none"> (i) 所獲專業管理人才； (ii) 預期將天然森林資源改造為有價值之鋸材所得盈利能力； (iii) 稀有天然森林資源及加工木材產品之長遠增值； (iv) 收入增長及未來市場發展； (v) 預期將收購業務與本集團整合以致與亞太區具潛力市場(包括中國)緊密聯繫所產生協同效益；及 (vi) 就取得控制權支付之溢價。 |

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44. ACQUISITION OF SUBSIDIARIES (Continued)

Goodwill arising on acquisition (Continued)

None of the goodwill recognised is expected to be deductible for income tax purposes.

The Group incurred acquisition-related costs of HK\$5,922,000 relating to legal and professional fees and other charges which have been excluded from the cost of acquisition. The acquisition related costs have been recognised as expenses within the 'other operating expenses' line item in the consolidated income statement.

Amplewell Group contributed revenue of HK\$265,076,000 (of which HK\$263,063,000 was included in continuing operation) and profit of HK\$308,907,000 (of which HK\$320,894,000 was included in continuing operations) for the year. Had the acquisition been completed on 1 April 2009, management estimates total Group's revenue would have been approximately HK\$267,607,000 and profit would have been approximately 257,901,000. In determining these amounts, management assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2009.

The above pro forma information on the Group's revenue and result is for illustrative purposes only and is not necessarily indicative of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2009, nor is it intended to be a projection of future results.

44. 收購附屬公司(續)

收購產生之商譽(續)

預期概無已確認商譽可用作扣除所得稅。

本集團就法律及專業費用及其他收費涉及之收購相關成本港幣5,922,000元並無計入收購成本內。收購相關成本已確認為開支，於綜合收益表中列入「其他營運開支」一項。

於本年度內，沛源集團貢獻收入港幣265,076,000元(其中港幣263,063,000元計入持續經營業務)及溢利港幣308,907,000元(其中港幣320,894,000元計入持續經營業務)。倘收購已於二零零九年四月一日完成，管理層估計本集團之總收入將約為港幣267,607,000元，而溢利將約為港幣257,901,000元。釐定該等金額時，管理層假設收購日期產生之公平值調整與假設收購已於二零零九年四月一日進行所產生者相同。

上述關於本集團收入與業績備考資料僅供參考，並不一定代表假設收購已於二零零九年四月一日完成時本集團可能達至之實際收入與經營業績，亦無意成為未來業績之預測。

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45. DISPOSAL OF SUBSIDIARIES

(a) Year ended 31 March 2010

As mentioned in note 14(a), the Group discontinued its building material and real estate operations at the time of disposal of its subsidiaries. The net assets/(liabilities) at the date of the disposals were as follows:

45. 出售附屬公司

(a) 截至二零一零年三月三十一日止年度
誠如附註14(a)所載，本集團於出售附屬公司時已終止其建材及房地產業務。於出售日期之資產／(負債)淨值載列如下：

		Building materials 建材		Real estate 房地產		Total 總計 HK\$'000 港幣千元
		Anex Far East Group 安歷士遠東 集團 HK\$'000 港幣千元	Idealboom Group 佳旺集團 HK\$'000 港幣千元	Leadprime Group 始領集團 HK\$'000 港幣千元	Joyful Rise Group 晉嘉集團 HK\$'000 港幣千元	
Net assets disposed of	已出售之資產淨值					
Property, plant and equipment	物業、廠房及設備	147	-	815	10	972
Retention receivables	應收保留金	-	655	-	-	655
Prepaid lease payment	預付租賃款項	-	-	268	-	268
Properties under development for sale	待出售在建物業	-	-	33,945	-	33,945
Trade and other receivables	應收貿易款項及其他應收款項	21,024	4,786	18,088	-	43,898
Pledged bank deposits	已抵押銀行存款	-	-	2,551	-	2,551
Cash and cash equivalents	現金及現金等價物	3,743	6	129	96	3,974
Amount due to 東莞嘉湖山莊建造 有限公司	應付東莞嘉湖山莊建造 有限公司款項	-	-	-	(12,715)	(12,715)
Completed property held for sales	持作待售已完成物業	-	-	-	11,590	11,590
Amount due to the Group	應付本集團款項	(5,725)	(5,689)	(8,343)	(943)	(20,700)
Trade and other payables	應付貿易款項及其他應付款項	(11,818)	(4)	(1,023)	(340)	(13,185)
Amount due to a non-controlling shareholder	應付非控股股東款項	-	-	(8,193)	-	(8,193)
Tax payable	應付稅項	(300)	(8)	-	-	(308)
Deferred tax liabilities	遞延稅項負債	-	-	(4,618)	-	(4,618)
		7,071	(254)	33,619	(2,302)	38,134
Non-controlling interests	非控制權益	(5,116)	(1)	(10,014)	-	(15,131)
Exchange reserve	匯兌儲備	1,955	(255)	23,605	(2,302)	23,003
		-	-	(3,195)	10	(3,185)
		1,955	(255)	20,410	(2,292)	19,818
Assignment of amounts due to the Group	轉讓應付本集團款項	-	5,689	8,343	-	14,032
Waiver of amounts due to the Group	豁免應付本集團款項	5,725	-	-	943	6,668
Disposal costs	出售事項成本	7,680	5,434	28,753	(1,349)	40,518
(Loss)/gain on disposal of subsidiaries (note 14)	出售附屬公司之(虧損)/ 收益(附註14)	2,412	-	-	-	2,412
		(1,812)	(1,434)	(10,571)	1,349	(12,468)
Total consideration	總代價	8,280	4,000	18,182	-	30,462
Satisfied by:	支付方式：					
Cash	現金	8,280	4,000	18,182	-*	30,462
Net cash inflow/(outflow) arising on the disposals	出售事項產生之現金 流入/(流出)淨額					
Cash consideration received	已收現金代價	8,280	4,000	18,182	-	30,462
Cash and cash equivalents disposed of	已出售之現金及現金等價物	(3,743)	(6)	(129)	(96)	(3,974)
		4,537	3,994	18,053	(96)	26,488

* Total consideration of the disposal is HK\$1.0.

* 出售事項之總代價為港幣1.0元。

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45. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Year ended 31 March 2009

- (i) As mentioned in note 14(b), the Group discontinued its mining and home appliance operations at the time of disposal of its subsidiaries. The net assets/(liabilities) at the date of the disposals were as follows:

45. 出售附屬公司(續)

(b) 截至二零零九年三月三十一日止年度

- (i) 誠如附註14(b)所載，本集團於出售附屬公司之時已終止其採礦及家庭電器業務。於出售日期之資產/(負債)淨值載列如下：

		Mining operation 採礦業務 HK\$'000 港幣千元	Home appliances operation 家庭電器業務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Net assets disposed of	已出售之資產淨值			
Property, plant and equipment	物業、廠房及設備	666	43,800	44,466
Intangible assets	無形資產	1,927,238	-	1,927,238
Prepaid lease payment	預付租賃款項	-	2,041	2,041
Cash and cash equivalents	現金及現金等價物	75	178	253
Trade and other receivables	應收貿易款項及其他應收款項	6,553	88	6,641
Trade and other payables	應付貿易款項及其他應付款項	(6,738)	-	(6,738)
Amounts due to the Group	應付本集團款項	(77,564)	(66,242)	(143,806)
Deferred tax liabilities	遞延稅項負債	-	(8,765)	(8,765)
		1,850,230	(28,900)	1,821,330
Non-controlling interests	非控制權益	(385,466)	-	(385,466)
		1,464,764	(28,900)	1,435,864
Exchange reserve	匯兌儲備	(13)	-	(13)
		1,464,751	(28,900)	1,435,851
Assignment of amounts due to the Group	轉讓應付本集團款項	77,564	66,242	143,806
		1,542,315	37,342	1,579,657
Disposal costs	出售事項成本	3,967	-	3,967
Loss on disposal of subsidiaries (note 14)	出售附屬公司之虧損(附註14)	(113,943)	(37,342)	(151,285)
Total consideration	總代價	1,432,339	-	1,432,339
Satisfied by:	支付方式：			
Cash	現金	464	-	464
Fair value of convertible note	可換股票據公平值	1,092,000	-	1,092,000
Fair value of promissory note	承付票據公平值	231,910	-	231,910
Fair value of shares repurchased (note) and (note 40(e))	所購回股份公平值(附註)及(附註40(e))	43,200	-	43,200
Interest payable waived	已豁免應付利息			
- convertible note	- 可換股票據	47,130	-	47,130
- promissory note	- 承付票據	17,635	-	17,635
		1,432,339	-	1,432,339
* Consideration of the disposal was HK\$1	* 出售事項之代價為港幣1元			
Net cash inflow/(outflow) arising on the disposals	出售事項產生之現金流入/(流出)淨額			
Cash consideration received	已收現金代價	464	-	464
Cash and cash equivalents disposed of	已出售之現金及現金等價物	(75)	(178)	(253)
		389	(178)	211

Note: As part of the consideration for the disposal of mining operation, 800,000,000 ordinary shares of the Company with par value of HK\$0.01 each were repurchased. The fair value of the repurchased ordinary shares of the Company, determined using the published price of HK\$0.054 per share at the date of the disposal, amounted to HK\$43,200,000.

附註：作為出售採礦業務部分代價，本公司購回800,000,000股每股面值港幣0.01元之普通股。本公司購回普通股之公平值乃採用出售日期之公佈價格每股港幣0.054元釐定，合共為港幣43,200,000元。

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45. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Year ended 31 March 2009 (Continued)

- (ii) On 1 December 2008, the Company entered into a sales and purchases agreement with the Win Field (China) Limited, an independent third party, to dispose of the entire equity interest in a subsidiary, namely BIP (HK) Company Limited. BIP (HK) Company Limited was dormant during the year. The disposal was completed on 1 December 2008.

45. 出售附屬公司(續)

(b) 截至二零零九年三月三十一日止年度(續)

- (ii) 於二零零八年十二月一日，本公司與獨立第三方詠輝(中國)有限公司訂立買賣協議，以出售附屬公司釜一(香港)有限公司之全部股本權益。釜一(香港)有限公司於年內暫無業務。出售事項已於二零零八年十二月一日完成。

		HK\$'000 港幣千元
Net liabilities disposed of	已出售之負債淨值	
Trade and other receivables	應收貿易款項及其他應收款項	2
Trade and other payables	應付貿易款項及其他應付款項	(784)
Amounts due to the Group	應付本集團款項	(3,145)
		(3,927)
Assignment of amounts due to the Group	轉讓應付本集團款項	3,145
		(782)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	782
Total consideration	總代價	—*
Satisfied by:	支付方式：	
Cash	現金	—*
Net cash inflow arising on the disposal	出售事項產生之現金流入淨額	
Cash consideration received	已收現金代價	—*

* Consideration of the disposal was HK\$1.

* 出售事項之代價為港幣1元。

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46. FINANCIAL RISK MANAGEMENT

The Group's major financial instruments include trade and other receivables, bank balances and cash, pledged bank deposits, bank loans, finance lease payables, trade and other payables, promissory notes and amounts due to shareholders and related companies. Details of these financial instruments are disclosed in the respective notes. The risk associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Credit risk

The Group's credit risk is primarily attributable to bank deposits, trade and other receivables.

For trade and other receivables, management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. In respect of trade and other receivables, credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. For building materials business segment, trade receivables are due within 30 to 180 days from the date of billing.

Debtors with balances that are more than 6 months past due are requested to settle all outstanding balances before any further credit is granted.

None of the Group's financial assets are secured by collateral or other credit enhancements.

The Group's concentration of credit risk by geographical locations is all in Asia Pacific. The Group has concentration of credit risk by customers as for 96% (2009: 100%) and 28% (2009: 49%) of the total receivables were due from the Group's five largest customers and the largest customer respectively as at 31 March 2010.

In addition, the Group is exposed to concentration of credit risk on an amount due from a non-controlling shareholder of HK\$66,660,000 which has been classified as assets held for sale in note 30. Under the repayment agreement entered into between the non-controlling shareholder and Amplewell, the non-controlling shareholder agrees to dispose part of his shares in Winner Global and ordinary shares in the Company for repayment of the amount due to the Group. The amount is also guaranteed by a related company, Assure Gain International Limited, which owns 43.38% interests in Winner Global. Under the guarantee agreement, the related company agrees to dispose sufficient shares in the Company to repay the outstanding amount in the event of default by the non-controlling shareholder. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

46. 財務風險管理

本集團之主要財務工具包括應收貿易款項及其他應收款項、銀行結餘及現金、已抵押銀行存款、銀行貸款、應付融資租約、應付貿易款項及其他應付款項、承付票據以及應付股東及關連公司款項。該等財務工具之詳情於有關附註披露。與該等財務工具相關之風險及如何降低該等風險之政策載於下文。管理層管理及監控該等風險，確保能及時和有效地採取適當措施。

(a) 信貸風險

本集團之信貸風險主要與銀行存款、應收貿易款項及其他應收款項有關。

管理層就應收貿易款項及其他應收款項採用信貸政策，並以持續基準監察該等信貸風險。就應收貿易款項及其他應收款項而言，信貸評估會向所有要求除賬超過若干金額之客戶進行，從而集中評估客戶之過往到期付款記錄及目前付款能力，並考慮客戶之資料及其營運地區之經濟環境。就建材業務分部而言，應收貿易款項自開單日期起30至180日內到期。

結餘逾期六個月之債務人須清償所有結餘後方會獲得其他信貸額。

本集團財務資產概無以抵押品或其他信貸提升作擔保。

本集團之地區信貸風險全面集中於亞太區。於二零一零年三月三十一日，本集團之集中客戶信貸風險來自本集團五大客戶及最大客戶，彼等各佔應收款項總額之96%（二零零九年：100%）及28%（二零零九年：49%）。

此外，本集團就附註30所述分類為持作待售資產之應收非控股股東款項港幣66,660,000元而出現信貸風險集中之情況。根據非控制股東與沛源訂立之還款協議，非控制股東同意出售部分Winner Global股份及本公司普通股，以償還應付本集團之款項。該款項亦由擁有Winner Global之43.38%權益之關連公司Assure Gain International Limited擔保。根據擔保協議，關連公司同意出售之本公司股份數目將足以償還非控股股東之欠款。就此，本公司認為本集團之信貸風險獲大幅減低。

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46. FINANCIAL RISK MANAGEMENT (Continued)

(a) Credit risk (Continued)

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance. Except for the financial guarantees given by the Group as set out in note 48, the Group does not provide any other guarantees which would expose the Group or the Company to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is disclosed in note 48.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 27.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands, subject to approval by the holding company's board. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from bankers to meet its liquidity requirements in the short and longer term.

46. 財務風險管理(續)

(a) 信貸風險(續)

信貸風險之最大風險指經扣除任何減值撥備後各財務資產於綜合財務狀況表之賬面值。除附註48所載本集團作出之財務擔保外，本集團並無提供任何其他擔保，致使本集團或本公司承受信貸風險。就該等財務擔保之最高信貸風險於報告期間結算日在附註48披露。

由於對手方為國際信貸機構評定具有高信貸評級之銀行，流動資金之信貸風險有限。

有關本集團因應收貿易款項及其他應收款項所面對之風險，其進一步計量披露載於附註27。

(b) 流動資金風險

本集團內的個別經營實體須自行負責其現金管理事宜，包括籌措貸款以應付預期現金需求，惟須待控股公司之董事會批准作實。本集團之政策為定期監控現時及預期流動資金需求以及是否遵守借貸契諾，確保維持足夠現金和金融機構承諾的充裕信貸額度，以應付其短期及較長期的流動資金需求。

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46. FINANCIAL RISK MANAGEMENT (Continued)

(b) Liquidity risk (Continued)

The following table details the remaining contractual maturities at the end of the reporting period of the Group's and the Company's non-derivative financial liabilities which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group and the Company can be required to pay:

The Group

		2010 二零一零年				
		Weighted average effective interest rate 加權平均實際利率	Carrying amount 賬面值 HK\$'000 港幣千元	Total contractual undiscounted cash flow 合約未貼現現金流轉總額 HK\$'000 港幣千元	Within 1 year or on demand 一年內或應要求 HK\$'000 港幣千元	More than 1 year but less than 2 years 一年後但兩年內 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及其他應付款項					
Consideration payable	應付代價	-	93,933	93,933	93,933	-
Promissory notes	承兌票據	15.74%	24,617	28,492	28,492	-
Bank loans	銀行貸款	22.08-22.61%	506	619	255	364
Amounts due to shareholders	應付股東款項	5%	117,936	123,833	-	123,833
Amounts due to related companies	應付關連公司款項	5%	54,091	56,796	-	56,796
			416,142	428,732	247,739	180,993

46. 財務風險管理(續)

(b) 流動資金風險(續)

下表詳列本集團及本公司之非衍生財務負債於報告期間結算日的剩餘合約期限，乃根據合約未貼現現金流轉(包括以合約利率(或如屬浮息，則根據於報告期間結算日之通行利率)推算之利息支出)以及本集團及本公司可被要求還款的最早日期編列：

本集團

		2009 二零零九年				
		Weighted average effective interest rate 加權平均實際利率	Carrying amount 賬面值 HK\$'000 港幣千元	Total contractual undiscounted cash flow 合約未貼現現金流轉總額 HK\$'000 港幣千元	Within 1 year or on demand 一年內或應要求 HK\$'000 港幣千元	More than 1 year but less than 2 years 一年後但兩年內 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及其他應付款項					
Bank loans and overdrafts	銀行貸款及透支	5-5.5%	16,306	16,505	16,505	-
			42,710	42,909	42,909	-

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46. FINANCIAL RISK MANAGEMENT (Continued)

(b) Liquidity risk (Continued) The Company

		2010 二零一零年			
		Weighted average effective interest rate 加權平均 實際利率	Carrying amount 賬面值 HK\$'000 港幣千元	Total contractual undis- counted cash flow 合約未貼現 現金流轉 總額 HK\$'000 港幣千元	Within 1 year or on demand 一年內或 應要求 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及 其他應付款項	-	1,561	1,561	1,561
Promissory notes	承兌票據	15.74%	24,617	28,492	28,492
			26,178	30,053	30,053

		2009 二零零九年			
		Weighted average effective interest rate 加權平均 實際利率	Carrying amount 賬面值 HK\$'000 港幣千元	Total contractual undis- counted cash flow 合約未貼現 現金流轉 總額 HK\$'000 港幣千元	Within 1 year or on demand 一年內或 應要求 HK\$'000 港幣千元
Trade and other payables	應付貿易款項及 其他應付款項	-	1,230	1,230	1,230

(c) Foreign currency risk

The Group's exposure to foreign currency risk related primarily to cash and cash equivalents, trade and other receivables and trade and other payables that are denominated in currencies other than the functional currency of the relevant group entities. The directors considered that the sensitivity of the Group's exposure towards the change in foreign exchange rates is minimal as the assets and liabilities of the Group denominated in currency other than functional currency of a particular group entity were insignificant as at the end of the reporting period.

(c) 外匯風險

本集團之外匯風險主要與以相關集團實體功能貨幣以外貨幣結算之現金及現金等價物、應收貿易款項及其他應收款項、以及應付貿易款項及其他應付款項相關。董事認為，本集團對匯率變動風險之敏感度甚低，原因為本集團以某一集團實體功能貨幣以外貨幣結算之資產及負債於報告期間結算日並不重大。

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46. FINANCIAL RISK MANAGEMENT (Continued)

(d) Interest rate risk

- (i) The Group is exposed to cash flow interest rate risk in relation to variable rate bank borrowings (see note 32 for details of these borrowings). As at 31 March 2010, the Group had no variable rate bank borrowing. The Group currently does not have any interest rate hedging policy in relation to the cash flow interest rate risk. The directors monitor the interest rate fluctuation and will consider hedging the interest rate should the need arises. The interest rate profile of the Group's borrowings at the end of the reporting period is as follows:

Variable rate borrowings	浮息借貸
Bank loans and overdrafts	銀行貸款及透支
Effective interest rates	實際利率

(ii) Sensitivity analysis

The sensitivity analysis has been determined based on the exposure to interest rates in its variable-rate borrowings. The analysis is prepared assuming variable-rate outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point increase or decrease which represents the management's assessment of the reasonably possible change in interest rates over the period until the next annual end of the reporting period. The analysis is performed on the same basis for the year ended 31 March 2009.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit/(loss) for the year ended 31 March 2010 and 2009 would decrease/increase by approximately Nil and HK\$82,000 respectively.

46. 財務風險管理(續)

(d) 利率風險

- (i) 本集團面對有關浮息銀行借貸之現金流轉利率風險(請參閱附註32以瞭解此等借貸詳情)。於二零一零年三月三十一日,本集團並無浮息銀行借貸。本集團目前並無就現金流轉利率風險採取任何利率對沖政策。董事監察利率波動,並將於需要時考慮對沖利率。本集團借貸於報告期間結算日之利率概況如下:

		The Group 本集團	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Variable rate borrowings	浮息借貸		
Bank loans and overdrafts	銀行貸款及透支	-	16,306
Effective interest rates	實際利率	22.08- 22.61%	5-5.5%

(ii) 敏感度分析

敏感度分析是按浮息借貸的利率風險計算。編製分析時乃假設於報告期間結算日的浮息借貸在整個年度內仍未償還。50基點的增減是管理層所作有關直至下個年度報告期間結算日為止期間利率變動可能性的合理估計。本公司以相同基準對截至二零零九年三月三十一日止年度進行分析。

如利率變動增/減50基點且所有其他變數不變,本集團截至二零一零年及二零零九年三月三十一日止年度的溢利/(虧損)將分別減少/增加約港幣零元及港幣82,000元。

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46. FINANCIAL RISK MANAGEMENT (Continued)

(e) Natural risk

The ability to harvest wood and the growth of the trees in the forests may be affected by unfavourable local weather conditions and natural disasters. Weather conditions such as floods, droughts, cyclones and windstorms and natural disasters such as earthquakes, fire, disease, insect infestation and pests are examples of such events. The occurrence of severe weather conditions or natural disasters may diminish the supply of trees available for harvesting, or otherwise impede the Group's logging operations or the growth of the trees in the forests, which in turn may have an adverse effect on the Group's ability to produce products in a timely manner and maintain sufficient operations.

(f) Fair value

The directors consider that the carrying amounts of the current financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements are not materially different from their fair values because of the immediate or short-term maturity of these financial instruments. The carrying amount of the bank loans and amounts due to shareholders and related companies approximate their fair values. The fair values of the bank loans and amounts due to shareholders and related companies are estimated on the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

46. 財務風險管理(續)

(e) 自然風險

在森林內砍伐木材的能力及林木生長可能受到地方氣候及自然災害之不利影響。氣候狀況如洪水、乾旱、颶風、風暴和自然災害如地震、火災、疾病、蟲禍及害蟲都是該等事件的例子。出現惡劣天氣狀況或發生自然災害可能導致可供砍伐的樹木減少，或妨礙本集團的伐木經營或影響森林內林木的生長，或會對本集團的按時生產及供貨能力造成不利影響。

(f) 公平值

董事認為，於報告期間於綜合財務報告按攤銷成本入賬之現有財務資產及財務負債之賬面值與其公平值並無重大差異，此乃由於該等財務工具將立即或於短期內到期。銀行貸款金額、應收股東及關連公司款項之賬面值與其公平值相若。銀行貸款及應收股東及關連公司款項公平值乃按未來現金流轉之現值作估計，並按同類財務工具之現行市場利率貼現。

47. COMMITMENTS

(a) Commitments in respect of capital expenditure

At the end of the reporting period, the Group had commitments in respect of capital expenditure outstanding but not provided for in the consolidated financial statements as follows:

47. 承擔

(a) 有關資本開支之承擔

本集團於報告期間結算日就資本開支有下列未償還及無於綜合財務報告撥備之承擔：

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Contracted, but not provided for	已訂約但未撥備		
– Acquisition of forest, forest concession rights, a wood processing plant, investment in a flooring company and exclusive production rights (note i)	– 收購森林、森林特許權、木材加工廠、於地板公司之投資及獨家生產權(附註i)	294,896	–
– Acquisition of forest, sawmill and fibreboard processing facilities (note ii)	– 收購森林、鋸木廠及纖維板加工廠(附註ii)	363,844	–
– Properties under development	– 發展中物業	–	1,542
		658,740	1,542

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47. COMMITMENTS (Continued)

(a) Commitments in respect of capital expenditure

(Continued)

- (i) On 12 February 2010, the Group entered into a term sheet (the "Term Sheet") to acquire the entire equity interests in a company (an independent third party) incorporated in Brazil holding among others approximately 98,000 hectares of forest area in Brazil, up to 800,000 hectares of forest concession rights in Bolivia, a wood processing plant, investment interests in a flooring company and exclusive production rights. The Term Sheet is legally binding and pursuant to its terms, the consideration of the acquisition shall be R\$70,000,000 (equivalent to approximately HK\$294,896,000). The consideration shall be payable by instalments as follows: (i) R\$45,000,000 (equivalent to approximately HK\$189,576,000) to be satisfied upon completion of the acquisition and (ii) R\$25,000,000 (equivalent to approximately HK\$105,320,000) to be satisfied by payment in cash in United State dollars on a date falling within three years after completion. According to the terms of the Term Sheet, the consideration may be reduced, if the net profit after tax for each of the three years after completion shall be less than R\$10,000,000.
- (ii) On 1 November 2009, the Group entered into a legally binding Memorandum of Intent ("MOU") to acquire the entire equity interests in a company (an independent third party) incorporated in Brazil holding freehold forest area of approximately 137,000 hectares in Brazil, a sawmill and a fibreboard processing facility. Pursuant to the terms of the MOU, the consideration of the acquisition should be R\$80,000,000 (equivalent to approximately HK\$363,843,757). The consideration shall be payable as follows: (i) R\$27,000,000 (equivalent to approximately HK\$122,797,268) to be satisfied by cash on the completion date of the acquisition; (ii) R\$26,000,000 (equivalent to approximately HK\$118,249,221) to be satisfied by the allotment and issue of new shares of the Company on the completion date of the acquisition and (iii) R\$27,000,000 (equivalent to approximately HK\$122,797,268) to be paid in 6 instalments, falling due on a half-yearly basis, with the first instalment falling due after 12 months from the completion date of the acquisition.

47. 承擔(續)

(a) 有關資本開支之承擔(續)

- (i) 於二零一零年二月十二日，本集團訂立條款表(「條款表」)收購一間於巴西註冊成立之公司(獨立第三方)全部股本權益，該公司持有(其中包括)巴西約98,000公頃之森林區、達800,000公頃之玻利維亞森林特許權、木材加工廠、於一家地板公司之投資權益及獨家生產權。條款表具法律約束力，根據其條款，收購事項之代價將為70,000,000雷亞爾(約相當於港幣294,896,000元)，代價將按以下方式分期支付：(i)45,000,000雷亞爾(約相當於港幣189,576,000元)將於收購事項完成時支付及(ii)25,000,000雷亞爾(約相當於港幣105,320,000元)將於交易完成後三年內以美元現金支付。根據條款表之條款，倘完成後三個年度各年之除稅後純利少於10,000,000雷亞爾，則代價或會減少。
- (ii) 於二零零九年十一月一日，本集團訂立一份具法定約束力之意向諒解備忘錄(「諒解備忘錄」)，收購一家於巴西註冊成立之公司(獨立第三方)之全部股本權益，該公司於巴西永久持有約137,000公頃之森林區一家鋸木廠及一家纖維板加工廠。根據諒解備忘錄之條款，收購代價應為80,000,000雷亞爾(約相當於港幣363,843,757元)。代價須以下列方式支付：(i)27,000,000雷亞爾(約相當於港幣122,797,268元)於收購完成日期以現金支付；(ii)26,000,000雷亞爾(約相當於港幣118,249,221元)於收購完成日期以配發及發行本公司新股份支付；及(iii)27,000,000雷亞爾(約相當於港幣122,797,268元)於每半年到期時分六期支付，首期須自收購完成日期起計12個月後到期支付。

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(b) Operating lease commitments

The Group leases certain of its office premises under operating leases. Leases for these properties are negotiated for terms ranging one to two years.

At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		The Group 本集團		The Company 本公司	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Within one year	一年內	2,575	2,600	2,575	1,920
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	2,298	323	2,298	—
		4,873	2,923	4,873	1,920

(b) 經營租約承擔

本集團根據經營租約出租若干辦公室物業。該等物業之租約經磋商後為期一至兩年。

於報告期間結算日，根據不可撤銷經營租約應付之日後最低租金總額如下：

(c) Minimum royalty payments

The total future minimum royalty payments payable under the terms of the timber concession licences were as follows:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Within one year	一年內	3,317	—
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	12,910	—
After five years	五年後	38,067	—
		54,294	—

(c) 最低專利權費付款

根據木材特許權證之條款於日後應付之最低專利權費付款總額如下：

The terms of the timber concession licences ranging from 3 to 23 years.

木材特許權證之期限介乎3至23年。

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48. CONTINGENT LIABILITIES

As at 31 March 2010, the Group and the Company had no contingent liabilities.

As at 31 March 2009, the Group and the Company had the following contingent liabilities.

The Group

A subsidiary of the Company undertook the obligation under a buy-back undertaking entered into with a bank in relation to the mortgage loans arranged for certain purchasers of the subsidiary's properties sold. The outstanding mortgage loans as at 31 March 2009 were RMB14,589,000 (equivalent to approximately HK\$16,566,000). Pursuant to the terms of the undertaking, in the event of any default in mortgage payments by any of these purchasers, the subsidiary of the Company is responsible to repay the outstanding mortgage principal balances together with accrued interest and penalties owed by the defaulted purchasers and the subsidiary of the Company is entitled to take over the legal title and possession of the related properties. The subsidiary of the Company's guarantee period commences from the dates of the drawdown of the relevant mortgage loans and ends when the subsidiary of the Company obtains the "property title certificate" for the mortgagees.

A deposit of RMB2,262,000 (equivalent to approximately HK\$2,569,000) of the subsidiary was pledged to a bank as security for the subsidiary's obligation under the above undertaking.

No recognition was made because the fair value of the undertaking was insignificant and that the directors do not consider it probable that a claim would be made against the subsidiary under the undertaking. At the end of reporting period, the maximum liability of the Group under the undertaking was HK\$16,566,000.

The Company

The Company had contingent liabilities not provided for in the financial statements in respect of guarantees provided for banking facilities of HK\$50,126,000 granted to subsidiaries.

- (i) The Company is one of the entities covered by a cross guarantee arrangement issued by the Company and its subsidiaries to a bank in respect of banking facilities granted to the Group which remains in force so long as the Group has drawn down under the banking facilities. Under the guarantee, the Company and all the subsidiaries that are a party to the guarantee are jointly and severally liable for all and any of the borrowings of each of them from the bank which is the beneficiary of the guarantee. The maximum liability of the Company at the end of the reporting period under the corporate guarantee was the banking facilities of HK\$28,560,000 utilised by the subsidiaries.

48. 或然負債

於二零一零年三月三十一日，本集團及本公司並無或然負債。

於二零零九年三月三十一日，本集團及本公司有以下或然負債。

本集團

本公司一間附屬公司根據其向一間銀行作出之購回承諾承擔責任，內容有關該銀行向附屬公司已售出物業之若干買家安排按揭貸款。於二零零九年三月三十一日之未償還按揭貸款為人民幣14,589,000元（約相當於港幣16,566,000元）。根據購回承諾之條款，倘任何買家未有如期償還按揭貸款，本公司之該附屬公司須償還未償還之按揭貸款本金額結餘以及違約買家應付之累計利息及罰金，而本公司之該附屬公司其時有權接管有關物業之法定業權及管有權。本公司之該附屬公司之擔保自有關按揭貸款提取日期起生效，並當本公司之該附屬公司為受按揭人取得「房地產權證」時結束。

附屬公司人民幣2,262,000元（約相當於港幣2,569,000元）之存款已質押予銀行，作為該附屬公司於上述承諾項下之責任的抵押品。

由於該承諾之公平值並不重大，且董事認為附屬公司因為該承諾而遭索償之機會不大，因此並無作出確認。於報告期間結算日，本集團因為有關承諾而負上之最高責任為港幣16,566,000元。

本公司

本公司就附屬公司獲授銀行融資而並未於財務報告作出撥備之或然負債為港幣50,126,000元。

- (i) 本公司及其附屬公司就本集團獲提供之銀行信貸向一間銀行作出交叉擔保安排，而本公司為有關安排所涵蓋之其中一間實體，有關安排將於本集團取用銀行信貸之期間內有效。根據擔保，本公司及其全部附屬公司均為擔保之訂約方，就彼等各自向銀行（為擔保之受益人）取得之全部及任何借貸共同及個別負上責任。本公司根據公司擔保而於報告期間結算日負上之最高責任，為附屬公司已動用之銀行融資港幣28,560,000元。

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48. CONTINGENT LIABILITIES (Continued)

The Company (Continued)

- (ii) The Company provided corporate guarantees of HK\$12,413,000 and pledged deposits of HK\$12,500,000 to banks for issuance of performance bonds of HK\$12,254,000 in favour of independent third parties in relation to the construction contracts.

No recognition was made because the fair value of the guarantee was insignificant and that the directors did not consider it probable that a claim would be made against the Company under the guarantee.

49. SUBSEQUENT EVENTS

- (a) On 7 May 2010, 52,843,834 share options to subscribe for up to a total of 52,843,834 ordinary shares of HK\$0.533 each of the Company were granted to directors, employees and consultants under the share option scheme adopted on 27 November 2009.
- (b) On 26 May 2010, the Company entered into a subscription agreement with NWS Financial Management Services Limited, a subsidiary of NWS Holdings Limited (the "Subscriber") who is an independent third party to the Group, pursuant to which the Company has agreed to allot and issue to the Subscriber, the subscription shares of 412,000,000 new shares at HK\$0.50 per subscription share. The Company completed the subscription of 412,000,000 shares on 2 June 2010. The net proceeds raised from the subscription were approximately HK\$190.6 million.

50. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the year.

(a) Key management personnel remuneration

The key management personnel of the Group are the directors of the Company. Details of their remuneration as set out in note 11 are as follows:

		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	3,512	2,173
Retirement scheme contributions	退休福利供款	26	30
Share based payments	以股份支付	1,260	-
		4,798	2,203

48. 或然負債(續)

本公司(續)

- (ii) 本公司就獨立第三方獲發建築合約的履約保證港幣12,413,000元而向銀行提供港幣12,500,000元之公司擔保及向該銀行質押港幣12,254,000元之存款。

由於該擔保之公平值並不重大，且董事認為本公司因為該擔保而遭索償之機會不大，因此並無作出確認。

49. 結算日後事項

- (a) 於二零一零年五月七日，本公司根據其於二零零九年十一月二十七日採納之購股權計劃，向董事、僱員及顧問授出52,843,834份可認購最多合共52,843,834股本公司每股面值港幣0.533元普通股之購股權。
- (b) 於二零一零年五月二十六日，本公司與本集團之獨立第三方新創建集團有限公司之附屬公司NWS Financial Management Services Limited(「認購人」)訂立認購協議，據此，本公司同意按每股認購股份港幣0.50元向認購人配發及發行412,000,000股認購股份。本公司已於二零一零年六月二日成功配發412,000,000股股份。認購事項之所得款項淨額約為港幣190,600,000元。

50. 重大關連人士交易

本集團於本年度與關連人士曾進行以下交易。

(a) 主要管理人員之薪酬

本集團之主要管理人員為本公司董事。附註11所載向彼等支付之酬金詳情如下：

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50. MATERIAL RELATED PARTY TRANSACTIONS

50. 重大關連人士交易 (續)

(Continued)

(b) Other related party transactions

(b) 其他關連人士交易

		Note 附註	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元
Interest on amounts due to shareholders	應付股東款項權益之利息	(i)	2,638	–
Interest on promissory notes	承付票據權益之利息	(ii)	7,423	–
Interest on amounts due to related companies	應付關連公司款項權益之利息	(iii)	1,819	64
Management and service fees paid to a non-controlling shareholder	向一名非控股股東支付管理及服務費	(iv)	1,433	1,746
Commission paid to a related company	向一家關連公司支付佣金	(v)	–	304
Service fee paid to a related company	向一家關連公司支付服務費	(vi)	–	560
Rental of car park paid to a related company	向一家關連公司支付停車場租金	(vii)	–	19
Motor vehicle sold to a director	向一名董事出售汽車	(viii)	–	29

Notes:

- (i) After the completion of the acquisition of Amplewell, the shareholders of the Company had advanced a total of HK\$57,550,000 to the Group. The interest expenses charged on amounts due to shareholders were calculated at 5% per annum. The outstanding balances of the amounts due to shareholders at the end of the reporting period are disclosed in note 36.
- (ii) These represent interest on promissory notes issued to Winner Global was calculated at a rate of 2% per annum on par value of the promissory notes. The outstanding balance at the end of the reporting period is disclosed in note 39.
- (iii) After the completion of the acquisition of Amplewell, a related company had advanced HK\$3,106,000 to the Group. The interest expenses charged on amounts due to related companies were calculated at 5% per annum. The outstanding balances of amounts due to related companies as at 31 March 2010 were disclosed in note 37.

During the year ended 31 March 2009, the Group paid interest of HK\$64,000 to Ever Think Technology Development Limited, a company controlled by Mr. Lee Yuen Kee, a director of a former subsidiary, for an amount of HK\$3,500,000 advanced to a subsidiary. There was no outstanding balance as at 31 March 2009.

附註：

- (i) 收購沛源完成後，本公司股東向本集團墊付合共港幣57,550,000元。就應付股東款項收取之利息開支乃按年利率5厘計息。應付股東款項於申報期間結算日之尚未償還結餘於附註36論述。
- (ii) 該等利息指向Winner Global發行承付票據之利息，按承付票據面值以年利率2厘計息。於報告期間結算日之未償還餘額在附註39披露。
- (iii) 收購沛源完成後，一家關連公司向本集團墊付港幣3,106,000元。就應付關連公司款項收取之利息開支乃按年利率5厘計息。於二零一零年三月三十一日應付關連公司款項之尚未償還結餘於附註37披露。

截至二零零九年三月三十一日止年度，本集團向一家前附屬公司之董事李元基先生控制之公司永思科技發展有限公司就向該附屬公司作出之墊款港幣3,500,000元支付港幣64,000元利息。於二零零九年三月三十一日並無尚未償還結餘。

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50. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) Other related party transactions (Continued)

Notes: (Continued)

- (iv) Two subsidiaries of the Group have entered into two agreements with a non-controlling shareholder, United Marble Company Limited, which provides project management services for the building material business to two subsidiaries at an aggregated monthly management fee of HK\$32,000 from 1 April 2008 and no outstanding balance at the end of the reporting period.
- (v) A former subsidiary of the Group has entered into a project management and service agreement with a related company, namely C&T International Limited, a company controlled by Mr. Lee Yuen Kee, a director of a former subsidiary of the Group to provide management support and project management of the trading and installation business for a period of one year commencing on 20 May 2008. The commission was calculated at 4.5% on the project sum for each project referred by C&T International Limited to the former subsidiary of the Group. There was no outstanding balance as at 31 March 2009.
- (vi) A former subsidiary of the Group has entered into a project and service agreement with a related company, namely Ever Think Technology Development Limited, a company controlled by Mr. Lee Yuen Kee, a director and a non-controlling shareholder of a former subsidiary of the Group, to provide administrative and accounting services to the former subsidiary for a period from 20 May 2008 to 31 October 2008 at monthly fee of HK\$104,000. There was no outstanding balance as at 31 March 2009.
- (vii) The Company has entered into a lease agreement with a related company, Gold Regent International Limited, a company controlled by Mr. Cheng Tun Nei ("Mr. Cheng), a former director of the Company, to lease a car park commencing on 1 December 2008 at a monthly rental of HK\$4,000. There was no outstanding balance at 31 March 2009.
- (viii) The Company entered into a transfer agreement with Mr. Cheng. Under the agreement, a motor vehicle was transferred from the Company to Mr. Cheng on 1 September 2008 for a consideration of HK\$29,000. The consideration was settled by the transfer of the finance lease with outstanding balance of HK\$29,000 to Mr. Cheng.

50. 重大關連人士交易(續)

(b) 其他關連人士交易(續)

附註：(續)

- (iv) 本集團兩間附屬公司與非控股股東華聯雲石有限公司就向該兩間附屬公司提供建材業務之項目管理服務訂立兩項協議，管理月費合共港幣32,000元，於報告期間結算日概無未償還餘額。
- (v) 本集團一間前附屬公司與關連公司C&T International Limited(由本集團一家前附屬公司之一名董事李元基先生控制之公司)訂立項目管理及服務協議，由二零零八年五月二十日起計一年期間，提供貿易及安裝業務之管理支援及項目管理服務。佣金按C&T International Limited向該本集團前附屬公司所轉介各項目之項目總額4.5%計算。於二零零九年三月三十一日並無未償還餘額。
- (vi) 本集團一家前附屬公司與關連公司永思科技發展有限公司(由本集團一家前附屬公司之一名董事兼非控股股東李元基先生控制之公司)訂立項目及服務協議，由二零零八年五月二十日至二零零八年十月三十一日止期間，向該前附屬公司提供行政及會計服務，服務月費為港幣104,000元。於二零零九年三月三十一日並無未償還餘額。
- (vii) 本公司與關連公司Gold Regent International Limited(由鄭盾尼先生(「鄭先生」)控制之公司)訂立租賃協議，以自二零零八年十二月一日起租用一個停車位，月租約為港幣4,000元。於二零零九年三月三十一日並無未償還餘額。
- (viii) 本公司與鄭先生訂立轉讓協議，據此，本公司於二零零八年九月一日向鄭先生轉讓一輛汽車，代價為港幣29,000元。代價乃透過向鄭先生轉讓融資租賃之未償還餘額港幣29,000元支付。

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51. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2010

The Group has not yet early adopted the following new and revised standards, amendments or interpretations that have been issued but are not yet effective for the year ended 31 March 2010. The Group is in the process of making an assessment of the impact of these new IFRSs in their period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

IFRSs (Amendments)	Amendments to IFRS 5 as part of Improvements to IFRSs issued in 2008 ¹
IFRSs (Amendments)	Improvements to IFRSs issued in 2009 ²
IAS 24 (Revised)	Related Party Disclosures ⁶
IAS 32 (Amendments)	Classification of Right Issues ⁴
IAS 39 (Amendments)	Eligible Hedged Items ¹
IFRS 1 (Amendments)	Additional Exemptions for First-time adopters ³
IFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions ³
IFRS 9	Financial Instruments (relating to the classification and measurement of financial assets) ⁷
IFRIC – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement ⁶
IFRIC – Int 17	Distributions of Non-cash Assets to Owners ¹
IFRIC – Int 19	Extinguishing Financial Liabilities with Equity Instruments ⁵

- ¹ Effective for annual periods beginning on or after 1 July 2009
- ² Effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate.
- ³ Effective for annual periods beginning on or after 1 January 2010
- ⁴ Effective for annual periods beginning on or after 1 February 2010
- ⁵ Effective for annual periods beginning on or after 1 July 2010
- ⁶ Effective for annual periods beginning on or after 1 January 2011
- ⁷ Effective for annual periods beginning on or after 1 January 2013

51. 截至二零一零年三月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響

本集團並無提前採納下列已頒佈但於截至二零一零年三月三十一日止年度尚未生效之新訂及經修訂準則、修訂或詮釋。本集團正評估該等新訂國際財務報告準則於首次應用期間之影響。目前之結論為採納該等準則不大可能對本集團之營運業績及財務狀況構成重大影響。

國際財務報告準則(修訂本)	對國際財務報告準則第5號之修訂作為二零零八年國際財務報告準則改進之一部分 ¹
國際財務報告準則(修訂本)	對二零零九年國際財務報告準則之改進 ²
國際會計準則第24號(經修訂)	有關連人士披露 ⁶
國際會計準則第32號(修訂本)	供股分類 ⁴
國際會計準則第39號(修訂本)	合資格對沖項目 ¹
國際財務報告準則第1號(修訂本)	首次採納者之額外豁免 ³
國際財務報告準則第2號(修訂本)	集團以現金結算之以股份付款交易 ³
國際財務報告準則第9號	財務工具(有關財務資產分類及計量) ⁷
國際財務報告詮釋委員會 – 詮釋第14號(修訂本)	最低資金規定之預付款項 ⁶
國際財務報告詮釋委員會 – 詮釋第17號	向擁有人分派非現金資產 ¹
國際財務報告詮釋委員會 – 詮釋第19號	以股本工具抵銷財務負債 ⁵

- ¹ 於二零零九年七月一日或之後開始之年度期間生效
- ² 於二零零九年七月一日及二零一零年一月一日或之後開始之年度期間生效
- ³ 於二零一零年一月一日或之後開始之年度期間生效
- ⁴ 於二零一零年二月一日或之後開始之年度期間生效
- ⁵ 於二零一零年七月一日或之後開始之年度期間生效
- ⁶ 於二零一一年一月一日或之後開始之年度期間生效
- ⁷ 於二零一三年一月一日或之後開始之年度期間生效

Notes to the Consolidated Financial Statements

綜合財務報告附註

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

永保林業控股有限公司 二零零九/二零一零年年報

51. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2010 (Continued)

IFRS 9 *Financial Instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of IAS 39 *Financial Instruments: Recognition and Measurement* to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. In addition, under IFRS 9, changes in fair value of equity investments are generally recognised in other comprehensive income, with only dividend income recognised in profit or loss. The application of IFRS 9 might affect the classification and measurement of the Group's financial assets.

In addition, as part of *Improvements to IFRSs (2009)*, IAS 17 *Leases* has been amended in relation to the classification of leasehold land. The amendments will be effective from 1 January 2010, with earlier application permitted. Before the amendments to IAS 17, leasees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in IAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The application of the amendments to IAS 17 might affect the classification and measurement of the Group's leasehold land at revalued amount.

The directors of the Company anticipate that the application of the other new and revised Standards, Amendments or Interpretations will have no material impact on the financial performance and financial position of the Group.

51. 截至二零一零年三月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響(續)

國際財務報告準則第9號財務工具引入財務資產分類及計量之新規定，將由二零一三年一月一日起生效，並獲准提早應用。該準則規定國際會計準則第39號財務工具：確認及計量範圍內所有已確認財務資產按攤銷成本或公平值計量，尤其是(i)就收取合約現金流轉目的以業務模式持有及(ii)擁有合約現金流轉之目的純粹為支付本金及未償還本金之債務投資一般按攤銷成本計量。所有其他債務投資及股本投資按公平值計量。此外，根據國際財務報告準則第9號，股本投資公平值變動一般被確認為其他全面收益，僅股息收入於損益確認。應用國際財務報告準則第9號可能影響本集團財務資產之分類及計量。

此外，作為國際財務報告準則(二零零九年)之改進部分，國際會計準則第17號租賃已就租賃土地之分類作出修訂。該等修訂將於二零一零年一月一日起生效，並獲准提早應用。修訂國際會計準則第17號前，租賃須將租賃土地分類為經營租賃，並於綜合財務狀況表呈列為預付租賃款項。該等修訂已刪除有關規定。取而代之，該等修訂規定將租賃土地按國際會計準則第17號所載一般原則為基準分類，即按出租人或承租人就租賃資產擁有權所附帶風險及回報程度確定。應用國際會計準則第17號之修訂或會對本集團租賃土地之分類及計量造成影響。

本公司董事預期，應用其他新訂及經修訂準則、修訂或詮釋將不會對本集團財務業績及財務狀況構成重大影響。

Five Years Financial Summary

五年財務摘要

Sustainable Forest Holdings Limited Annual Report 2009/10

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Revenue	收入	342,580	178,061	222,854	209,701	182,324
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔溢利/(虧損)	273,303	(12,707)	(112,892)	(55,027)	(59,736)

ASSETS AND LIABILITIES

資產及負債

		As at 31 March 於三月三十一日				
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Total assets	總資產	3,338,236	237,960	2,361,532	299,792	197,596
Total liabilities	總負債	831,606	57,618	1,283,928	141,653	89,685
Net assets	淨資產	2,506,630	180,342	1,077,604	158,139	107,911
EQUITY	權益					
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,506,568	166,228	658,187	144,239	107,833
Non-controlling interests	非控制權益	62	14,114	419,417	13,900	78
Total equity	總權益	2,506,630	180,342	1,077,604	158,139	107,911

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